

107TH CONGRESS
1ST SESSION

S. 303

To amend the Elementary and Secondary Education Act of 1965, to reauthorize and make improvements to that Act, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 13, 2001

Mr. LIEBERMAN (for himself, Mr. BAYH, Ms. LANDRIEU, Mrs. LINCOLN, Mr. KOHL, Mr. GRAHAM, Mr. BREAUX, Mr. KERRY, Mrs. FEINSTEIN, Mr. CARPER, and Mr. NELSON of Florida) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Elementary and Secondary Education Act of 1965, to reauthorize and make improvements to that Act, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Public Education Reinvestment, Reinvention, and Re-
6 sponsibility Act” or the “Three R’s Act”.

7 (b) TABLE OF CONTENTS.—The table of contents of
8 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. References.
- Sec. 3. Declaration of priorities.

TITLE I—STUDENT PERFORMANCE

- Sec. 101. Heading.
- Sec. 102. Findings, policy, and purpose.
- Sec. 103. Authorization of appropriations.
- Sec. 104. Reservation for school improvement.

Subtitle A—Improving Basic Programs Operated by Local Educational Agencies

- Sec. 111. State plans.
- Sec. 112. Local educational agency plans.
- Sec. 113. Schoolwide programs.
- Sec. 114. School choice.
- Sec. 115. Assessment and local educational agency and school improvement.
- Sec. 116. State assistance for school support and improvement.
- Sec. 117. Parental involvement.
- Sec. 118. Qualifications for teachers and paraprofessionals.
- Sec. 119. Professional development.
- Sec. 120. Fiscal requirements.
- Sec. 121. Coordination requirements.
- Sec. 122. Limitations on funds.
- Sec. 123. Grants for the outlying areas and the Secretary of the Interior.
- Sec. 124. Amounts for grants.
- Sec. 125. Basic grants to local educational agencies.
- Sec. 126. Concentration grants.
- Sec. 127. Targeted grants.
- Sec. 128. Education finance incentive program.
- Sec. 129. Special allocation procedures.

Subtitle B—Even Start Family Literacy Programs

- Sec. 131. Program authorized.
- Sec. 132. Applications.
- Sec. 133. Research.

Subtitle C—Education of Migratory Children

- Sec. 141. Comprehensive needs assessment and service-delivery plan; authorized activities.

Subtitle D—Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent, or at Risk of Dropping Out

- Sec. 151. State plan and State agency applications.
- Sec. 152. Use of funds.

Subtitle E—Federal Evaluations, Demonstrations, and Transition Projects

- Sec. 161. Evaluations.
- Sec. 162. Demonstrations of innovative practices.

Subtitle F—Rural Education Development Initiative

Sec. 171. Rural education development initiative.

Subtitle G—General Provisions

Sec. 181. State administration.

Sec. 182. Definitions.

TITLE II—TEACHER AND PRINCIPAL QUALITY, PROFESSIONAL
DEVELOPMENT, AND CLASS SIZE

Sec. 201. Teacher and principal quality, professional development, and class size.

TITLE III—LANGUAGE MINORITY STUDENTS AND INDIAN,
NATIVE HAWAIIAN, AND ALASKA NATIVE EDUCATION

Sec. 301. Language minority students.

Sec. 302. Emergency immigrant education program.

Sec. 303. Indian, Native Hawaiian, and Alaska Native education.

TITLE IV—PUBLIC SCHOOL CHOICE

Sec. 401. Public school choice.

Sec. 402. Development of public school choice programs; report cards.

TITLE V—IMPACT AID

Sec. 501. Payments relating to Federal acquisition of real property.

Sec. 502. Repeal of special rule relating to the computation of payments for eligible federally connected children.

Sec. 503. Extension of authorization of appropriations.

Sec. 504. Repeals, transfers, and redesignations.

TITLE VI—HIGH PERFORMANCE AND QUALITY EDUCATION
INITIATIVES

Sec. 601. High performance and quality education initiatives.

TITLE VII—ACCOUNTABILITY

Sec. 701. Accountability.

TITLE VIII—GENERAL PROVISIONS AND REPEALS

Sec. 801. Repeals, transfers, and redesignations regarding title XIV.

Sec. 802. Other repeals.

1 SEC. 2. REFERENCES.

2 Except as otherwise expressly provided, whenever in
3 this Act an amendment or repeal is expressed in terms
4 of an amendment to, or repeal of, a section or other provi-
5 sion, the reference shall be considered to be made to a

1 section or other provision of the Elementary and Sec-
2 ondary Education Act of 1965 (20 U.S.C. 6301 et seq.).

3 **SEC. 3. DECLARATION OF PRIORITIES.**

4 Congress declares that the national educational prior-
5 ities are to—

6 (1) introduce real accountability by making
7 public elementary school and secondary school edu-
8 cation funding performance-based rather than a
9 guaranteed source of revenue for States and local
10 educational agencies;

11 (2) require State educational agencies and local
12 educational agencies to establish high student per-
13 formance objectives, and provide the State edu-
14 cational agencies and local educational agencies with
15 flexibility in using Federal resources to ensure that
16 the performance objectives are met;

17 (3) concentrate Federal funding on a small
18 number of central education goals, including pro-
19 viding compensatory education for disadvantaged
20 children and youth, improving teacher quality and
21 providing professional development, providing pro-
22 grams for limited English proficient students, public
23 school choice programs, and innovative educational
24 programs, and promoting student safety and the in-
25 corporation of educational technology into education;

1 (4) concentrate Federal education funding on
 2 impoverished areas where elementary schools and
 3 secondary schools are most likely to be in distress;

4 (5) sanction State educational agencies and
 5 local educational agencies that consistently fail to
 6 meet established benchmarks; and

7 (6) reward State educational agencies, local
 8 educational agencies, and elementary schools and
 9 secondary schools that demonstrate high perform-
 10 ance.

11 **TITLE I—STUDENT**
 12 **PERFORMANCE**

13 **SEC. 101. HEADING.**

14 The heading for title I (20 U.S.C. 6301 et seq.) is
 15 amended to read as follows:

16 **“TITLE I—STUDENT**
 17 **PERFORMANCE”.**

18 **SEC. 102. FINDINGS, POLICY, AND PURPOSE.**

19 Section 1001 (20 U.S.C. 6301) is amended to read
 20 as follows:

21 **“SEC. 1001. FINDINGS, POLICY AND PURPOSE.**

22 **“(a) FINDINGS.—**Congress makes the following find-
 23 ings:

24 **“(1)** Despite more than 3 decades of Federal
 25 assistance, a sizable achievement gap remains be-

1 tween economically disadvantaged and affluent stu-
2 dents.

3 “(2) The 1994 reauthorization of the Elemen-
4 tary and Secondary Education Act of 1965 was an
5 important step in focusing the Nation’s priorities on
6 closing the achievement gap between economically
7 disadvantaged and affluent students in the United
8 States. The Federal Government must continue to
9 build on the improvements made in 1994 by holding
10 States and local educational agencies accountable for
11 student achievement.

12 “(3) States can help close the achievement gap
13 by developing challenging curriculum content and
14 student performance standards so that all elemen-
15 tary school and secondary school students perform
16 at an advanced level. States should implement rig-
17 orous and comprehensive student performance as-
18 sessments, such as the National Assessment of Edu-
19 cational Progress, so as to measure fully the
20 progress of the Nation’s students.

21 “(4) In order to ensure that no child is left be-
22 hind in the new economy, the Federal Government
23 must better target Federal resources on those chil-
24 dren who are most at risk for falling behind aca-
25 demically.

1 “(5) Funds made available under this title (re-
2 ferred to in this section as ‘title I funds’) have been
3 targeted on high-poverty areas, but not to the degree
4 the funds should be targeted on those areas, as dem-
5 onstrated by the following:

6 “(A) Although 95 percent of schools with
7 poverty levels of 75 percent to 100 percent re-
8 ceive title I funds, 20 percent of schools with
9 poverty levels of 50 to 74 percent do not receive
10 any title I funds.

11 “(B) Only 64 percent of schools with pov-
12 erty levels of 35 percent to 49 percent receive
13 title I funds.

14 “(6) Title I funding should be significantly in-
15 creased and more effectively targeted to ensure that
16 all economically disadvantaged students have an op-
17 portunity to excel academically.

18 “(7) The Federal Government should provide
19 greater decisionmaking authority and flexibility to
20 schools and teachers in exchange for requiring the
21 schools and teachers to assume greater responsibility
22 for student performance. Federal, State, and local
23 efforts should be focused on raising the academic
24 achievement of all students. The Nation’s children
25 deserve nothing less than a policy that holds ac-

1 countable those responsible for shaping the chil-
2 dren’s future and the Nation’s future.

3 “(b) POLICY.—It is the policy of the United States
4 to ensure that all students receive a high-quality education
5 by holding States, local educational agencies, and elemen-
6 tary schools and secondary schools accountable for in-
7 creased student academic performance results, and by fa-
8 cilitating improved classroom instruction.

9 “(c) PURPOSES.—The purposes of this title are as
10 follows:

11 “(1) To eliminate the existing 2-tiered edu-
12 cational system, which sets lower academic expecta-
13 tions for economically disadvantaged students than
14 for affluent students.

15 “(2) To require all States to have challenging
16 content and student performance standards and as-
17 sessment measures in place.

18 “(3) To require all States to ensure adequate
19 yearly progress for all students by establishing an-
20 nual, numerical performance objectives.

21 “(4) To ensure that all students receiving serv-
22 ices under this title receive educational instruction
23 from a fully qualified teacher.

1 “(5) To support State educational agencies and
2 local educational agencies in identifying, assisting,
3 and correcting low-performing schools.

4 “(6) To increase Federal funding for programs
5 carried out under part A for economically disadvan-
6 taged students in return for increased academic per-
7 formance of all students.

8 “(7) To target Federal funding to local edu-
9 cational agencies serving the highest percentages of
10 economically disadvantaged students.”.

11 **SEC. 103. AUTHORIZATION OF APPROPRIATIONS.**

12 Section 1002 (20 U.S.C. 6302) is amended to read
13 as follows:

14 **“SEC. 1002. AUTHORIZATION OF APPROPRIATIONS.**

15 “(a) LOCAL EDUCATIONAL AGENCY GRANTS.—For
16 the purpose of carrying out part A, other than section
17 1120(e), there are authorized to be appropriated
18 \$13,000,000,000 for fiscal year 2002 and such sums as
19 may be necessary for each of the 4 succeeding fiscal years.

20 “(b) EVEN START.—For the purpose of carrying out
21 part B, there are authorized to be appropriated such sums
22 as may be necessary for fiscal year 2002 and each of the
23 4 succeeding fiscal years.

24 “(c) EDUCATION OF MIGRATORY CHILDREN.—For
25 the purpose of carrying out part C, there are authorized

1 to be appropriated such sums as may be necessary for fis-
 2 cal year 2002 and each of the 4 succeeding fiscal years.

3 “(d) PREVENTION AND INTERVENTION PROGRAMS
 4 FOR YOUTH WHO ARE NEGLECTED, DELINQUENT, OR AT
 5 RISK OF DROPPING OUT.—For the purpose of carrying
 6 out part D, there are authorized to be appropriated such
 7 sums as may be necessary for fiscal year 2002 and each
 8 of the 4 succeeding fiscal years.

9 “(e) CAPITAL EXPENSES.—For the purpose of car-
 10 rying out section 1120(e), there is authorized to be appro-
 11 priated \$5,000,000 for fiscal year 2002.

12 “(f) FEDERAL ACTIVITIES.—For the purpose of car-
 13 rying out sections 1501 and 1502, there are authorized
 14 to be appropriated such sums as may be necessary for fis-
 15 cal year 2002 and each of the 4 succeeding fiscal years.”.

16 **SEC. 104. RESERVATION FOR SCHOOL IMPROVEMENT.**

17 Section 1003 (20 U.S.C. 6303) is amended to read
 18 as follows:

19 **“SEC. 1003. RESERVATION FOR SCHOOL IMPROVEMENT.**

20 “(a) STATE RESERVATIONS.—Each State edu-
 21 cational agency shall reserve 2.5 percent of the amount
 22 the State educational agency receives under part A for fis-
 23 cal years 2002 and 2003, and 3.5 percent of that amount
 24 for fiscal years 2004 through 2006, to carry out sub-
 25 section (b) and to carry out the State educational agency’s

1 responsibilities under sections 1116 and 1117, including
 2 carrying out the State educational agency’s statewide sys-
 3 tem of technical assistance and support for local edu-
 4 cational agencies.

5 “(b) USES.—Of the amount reserved under sub-
 6 section (a) for any fiscal year, the State educational agen-
 7 cy shall make available at least 80 percent of such amount
 8 directly to local educational agencies for school improve-
 9 ment and corrective action.”.

10 **Subtitle A—Improving Basic Pro-** 11 **grams Operated by Local Edu-** 12 **cational Agencies**

13 **SEC. 111. STATE PLANS.**

14 Section 1111 (20 U.S.C. 6311) is amended to read
 15 as follows:

16 **“SEC. 1111. STATE PLANS.**

17 “(a) PLANS REQUIRED.—

18 “(1) IN GENERAL.—Any State educational
 19 agency desiring a grant under this part shall submit
 20 to the Secretary a plan that—

21 “(A) is developed in consultation with local
 22 educational agencies, teachers, pupil services
 23 personnel, administrators (including administra-
 24 tors of programs described in other parts of
 25 this title), local school boards, other staff, par-

1 ents, and other entities in the community in-
2 volved such as institutions of higher education;

3 “(B) satisfies the requirements of this sec-
4 tion; and

5 “(C) coordinates activities with other pro-
6 grams carried out under this Act, the Individ-
7 uals with Disabilities Education Act, the Carl
8 D. Perkins Vocational and Technical Education
9 Act of 1998, and the Head Start Act.

10 “(2) CONSOLIDATED PLAN.—A State plan sub-
11 mitted under paragraph (1) may be submitted as
12 part of a consolidated plan under section 8302.

13 “(b) STANDARDS, ASSESSMENTS, AND ACCOUNT-
14 ABILITY.—

15 “(1) CHALLENGING STANDARDS.—

16 “(A) IN GENERAL.—Each State plan shall
17 demonstrate that the State has adopted chal-
18 lenging content standards and challenging stu-
19 dent performance standards that will be used
20 by the State, and the local educational agencies,
21 and elementary schools and secondary schools,
22 within the State to carry out this part.

23 “(B) UNIFORMITY.—The standards re-
24 quired by subparagraph (A) shall be the same
25 as the standards that the State applies to all el-

1 elementary schools and secondary schools within
 2 the State and all students attending such
 3 schools.

4 “(C) SUBJECTS.—The State shall have
 5 such standards for elementary school and sec-
 6 ondary school students served under this part
 7 in academic subjects determined by the State,
 8 but including at least mathematics, science, and
 9 English language arts. The standards shall in-
 10 clude the same specifications concerning knowl-
 11 edge, skills, and levels of performance for all
 12 students.

13 “(D) STANDARDS.—Standards adopted
 14 under this paragraph shall include—

15 “(i) challenging content standards in
 16 academic subjects that—

17 “(I) specify what students are ex-
 18 pected to know and be able to do;

19 “(II) contain coherent and rig-
 20 orous content; and

21 “(III) encourage the teaching of
 22 advanced skills; and

23 “(ii) challenging student performance
 24 standards that—

1 “(I) are aligned with the State’s
2 content standards;

3 “(II) describe 2 levels of high
4 performance, proficient and advanced
5 levels of performance, that determine
6 how well students are mastering the
7 material in the State content stand-
8 ards; and

9 “(III) describe a third level of
10 performance, a basic level of perform-
11 ance, to provide complete information
12 about the progress of the lower per-
13 forming students toward meeting the
14 proficient and advanced levels of per-
15 formance.

16 “(E) ADDITIONAL SUBJECTS.—For the
17 academic subjects for which students will re-
18 ceive services under this part, but for which a
19 State is not required under subparagraphs (A),
20 (B), and (C) to develop, and has not otherwise
21 developed, challenging content and student per-
22 formance standards, the State plan shall de-
23 scribe a strategy for ensuring that economically
24 disadvantaged students acquire the same knowl-

1 edge, are taught the same skills, and are held
2 to the same expectations as are all students.

3 “(F) SPECIAL RULE.—In the case of a
4 State that allows local educational agencies to
5 adopt more rigorous standards than the stand-
6 ards set by the State, local educational agencies
7 shall be allowed to implement such rigorous
8 standards.

9 “(2) ADEQUATE YEARLY PROGRESS.—

10 “(A) IN GENERAL.—Each State plan shall
11 demonstrate what constitutes adequate yearly
12 progress (based on assessments described in
13 paragraph (4)) of—

14 “(i) any school that receives assist-
15 ance under this part toward enabling all
16 students to meet the State’s challenging
17 student performance standards;

18 “(ii) any local educational agency that
19 receives assistance under this part toward
20 enabling all students in schools served by
21 the local educational agency and receiving
22 assistance under this part to meet the
23 State’s challenging student performance
24 standards; and

1 “(iii) the State toward enabling all
2 students in schools in the State and receiv-
3 ing assistance under this part to meet the
4 State’s challenging student performance
5 standards.

6 “(B) DEFINITION.—The adequate yearly
7 progress shall be defined by the State in a man-
8 ner that—

9 “(i) applies the same high standards
10 of academic performance to all students in
11 the State;

12 “(ii) takes into account the progress
13 of all students in the State and served by
14 each local educational agency and school
15 served under section 1114 or 1115;

16 “(iii) uses the State challenging con-
17 tent and challenging student performance
18 standards and assessments described in
19 paragraphs (1) and (4);

20 “(iv) compares separately, for each
21 State, local educational agency, and school,
22 the performance and progress of students,
23 disaggregated by each major ethnic and ra-
24 cial group, by gender, by English pro-
25 ficiency status, and by classification as eco-

1 nominally disadvantaged students as com-
 2 pared to students who are not economically
 3 disadvantaged (except that such
 4 disaggregation shall not be required in a
 5 case in which the number of students in a
 6 category is insufficient to yield statistically
 7 reliable information or the results would
 8 reveal individually identifiable information
 9 about an individual student);

10 “(v) compares the proportions of stu-
 11 dents at the basic, proficient, and ad-
 12 vanced levels of performance in a grade in
 13 a school year with the proportions of stu-
 14 dents at each of the 3 performance levels
 15 in the same grade in the previous school
 16 year;

17 “(vi) endeavors to include other aca-
 18 demic measures such as promotion, attend-
 19 ance, drop-out rates, completion of college
 20 preparatory courses, college admission
 21 tests taken, and secondary school comple-
 22 tion, except that failure to meet another
 23 academic measure, other than student per-
 24 formance on State assessments aligned
 25 with State standards, shall not provide the

1 sole basis for designating a local edu-
2 cational agency or school for improvement;

3 “(vii) includes annual numerical ob-
4 jectives for improving the performance of
5 all groups described in clause (iv) and nar-
6 rowing gaps in achievement between those
7 groups in, at least, the areas of mathe-
8 matics and English language arts; and

9 “(viii) includes a timeline for ensuring
10 that each group of students described in
11 clause (iv) meets or exceeds the State’s
12 proficient level of performance on each
13 State assessment described in paragraph
14 (4) not later than 10 years after the date
15 of enactment of the Public Education Re-
16 investment, Reinvention, and Responsi-
17 bility Act.

18 “(C) ACCOUNTABILITY.—Each State plan
19 shall demonstrate that the State has developed
20 and is implementing a statewide State account-
21 ability system that has been or will be effective
22 in ensuring that all local educational agencies,
23 elementary schools, and secondary schools are
24 making adequate yearly progress as defined

1 under section 1111(b)(2). Each State account-
2 ability system shall—

3 “(i) be based on the standards and as-
4 sessments adopted under paragraphs (1)
5 and (4) and take into account the perform-
6 ance of all students required by law to be
7 included in such assessments;

8 “(ii) be the same as the accountability
9 system the State uses for all schools or all
10 local educational agencies in the State, if
11 the State has an accountability system for
12 all the schools or all the local educational
13 agencies;

14 “(iii) provide for the identification of
15 schools or local educational agencies receiv-
16 ing funds under this part that for 3 con-
17 secutive years have exceeded such schools’
18 or agencies’ adequate yearly progress goals
19 so that information about the practices
20 and strategies of such schools or agencies
21 can be disseminated to other schools served
22 by the local educational agency and other
23 schools in the State and the schools and
24 agencies that have exceeded the goals can

1 be considered for rewards provided under
2 title VII;

3 “(iv) provide for the identification of
4 schools and local educational agencies for
5 improvement, as required by section 1116,
6 and for the provision of technical assist-
7 ance, professional development, and other
8 capacity-building as needed, including
9 those measures specified in sections
10 1116(d)(9) and 1117, to ensure that
11 schools and local educational agencies so
12 identified have the resources, skills, and
13 knowledge needed to carry out their obliga-
14 tions under sections 1114 and 1115 and to
15 meet the requirements for adequate yearly
16 progress described in this paragraph; and

17 “(v) provide for the identification of
18 schools and local educational agencies for
19 corrective action as required by section
20 1116, and for the implementation of cor-
21 rective action against schools and local
22 educational agencies in cases in which such
23 actions are required under such section.

24 “(D) ANNUAL IMPROVEMENT FOR
25 STATES.—

1 “(i) 90 PERCENT REQUIREMENT.—
 2 Each State plan shall specify that, for a
 3 State to make adequate yearly progress
 4 under subparagraph (A)(iii), not less than
 5 90 percent of the local educational agen-
 6 cies within the State shall meet the State’s
 7 criteria for adequate yearly progress.

8 “(ii) MODIFICATION.—If the applica-
 9 tion of the 90 percent requirement de-
 10 scribed in clause (i) would require a frac-
 11 tional number of local educational agencies
 12 to meet the criteria, the Secretary shall
 13 issue an order modifying the requirement,
 14 to the minimum extent necessary, and
 15 shall require a substantial number of the
 16 agencies to meet the criteria.

17 “(E) ANNUAL IMPROVEMENT FOR LOCAL
 18 EDUCATIONAL AGENCIES.—

19 “(i) 90 PERCENT REQUIREMENT.—
 20 Each State plan shall specify that, for a
 21 local educational agency to make adequate
 22 yearly progress under subparagraph
 23 (A)(ii), not less than 90 percent of the
 24 schools served by the local educational

1 agency shall meet the State’s criteria for
2 adequate yearly progress.

3 “(ii) MODIFICATION.—If the applica-
4 tion of the 90 percent requirement de-
5 scribed in clause (i) would require a frac-
6 tional number of schools to meet the cri-
7 teria, the Secretary shall issue an order
8 modifying the requirement, to the min-
9 imum extent necessary, and shall require a
10 substantial number of the schools to meet
11 the criteria.

12 “(F) ANNUAL IMPROVEMENT FOR
13 SCHOOLS.—Each State plan shall specify that,
14 for an elementary school or a secondary school
15 to make adequate yearly progress under sub-
16 paragraph (A)(i), not less than 90 percent of
17 each group of students described in subpara-
18 graph (B)(iv) who are enrolled in such school
19 shall take the assessments described in para-
20 graph (4) and in section 612(a)(17)(A) of the
21 Individuals with Disabilities Education Act.

22 “(G) PUBLIC NOTICE AND COMMENT.—

23 “(i) IN GENERAL.—Each State shall
24 submit information in the State plan dem-

1 onstrating that the State, in developing
2 such plan—

3 “(I) diligently sought public com-
4 ment from a range of institutions and
5 individuals in the State with an inter-
6 est in improved student performance;
7 and

8 “(II) made and will continue to
9 make a substantial effort to ensure
10 that information regarding content
11 standards, performance standards, as-
12 sessments, and the State account-
13 ability system is widely known and
14 understood by the public, parents,
15 teachers, and school administrators
16 throughout the State.

17 “(ii) EFFORT.—The effort described
18 in clause (i)(II), at a minimum, shall in-
19 clude annual publication of such informa-
20 tion and explanatory text to the public
21 through such means as the Internet, the
22 media, and public agencies. Languages
23 other than English shall be used to com-
24 municate the information and text to par-
25 ents in appropriate cases.

1 “(3) STATE AUTHORITY.—If a State edu-
2 cational agency provides evidence that is satisfactory
3 to the Secretary that neither the State educational
4 agency nor any other State government official,
5 agency, or entity has sufficient authority under
6 State law to adopt content and student performance
7 standards, and assessments aligned with such stand-
8 ards, that will be applicable to all students enrolled
9 in the State’s public schools, the State educational
10 agency may meet the requirements of this subsection
11 by stating in the State plan that the State is—

12 “(A) adopting content and student per-
13 formance standards and assessments that meet
14 the requirements of this subsection, on a state-
15 wide basis, and limiting the applicability of such
16 standards and assessments to students served
17 under this part; or

18 “(B) adopting and implementing policies
19 that ensure that each local educational agency
20 within the State that receives assistance under
21 this part will adopt content and student per-
22 formance standards and assessments—

23 “(i) that are aligned with the stand-
24 ards described in subparagraph (A); and

1 “(ii) that meet the criteria in this sub-
2 section and any regulations regarding such
3 standards and assessments that the Sec-
4 retary may publish and that are applicable
5 to all students served by each such local
6 educational agency.

7 “(4) ASSESSMENTS.—Each State plan shall
8 demonstrate that the State has implemented a set of
9 high quality, yearly student assessments that in-
10 cludes, at a minimum, assessments in mathematics,
11 science, and English language arts, that will be
12 used, starting not later than the 2002–2003 school
13 year as the primary means of determining the yearly
14 performance of each local educational agency and
15 school served by the State under this title in ena-
16 bling all students to meet the State’s challenging
17 content and student performance standards. Such
18 assessments shall—

19 “(A) be the same as the assessments used
20 to measure the performance of all students, if
21 the State has assessments that measure the
22 performance of all students;

23 “(B) be aligned with the State’s chal-
24 lenging content and student performance stand-
25 ards, and provide coherent information about

1 the local educational agency's contribution to
 2 the student attainment of such standards;

3 “(C) be used only for purposes for which
 4 such assessments are valid and reliable, and be
 5 consistent with relevant, nationally recognized
 6 professional and technical standards for such
 7 assessments;

8 “(D) measure the performance of students
 9 against the challenging State content and stu-
 10 dent performance standards, and be adminis-
 11 tered not less than once during—

12 “(i) grades 3 through 5;

13 “(ii) grades 6 through 9; and

14 “(iii) grades 10 through 12;

15 “(E) include multiple, up-to-date measures
 16 of student performance and the local edu-
 17 cational agency's contribution to student per-
 18 formance, including measures that assess high-
 19 er order thinking skills and understanding;

20 “(F) provide for—

21 “(i) the participation in such assess-
 22 ments of all students;

23 “(ii) the reasonable adaptations and
 24 accommodations for children with disabil-
 25 ities, as such term is defined in section

1 602(3) of the Individuals with Disabilities
2 Education Act, that are necessary to meas-
3 ure the performance of such students rel-
4 ative to State content and student per-
5 formance standards;

6 “(iii) in the case of a student with
7 limited English proficiency, the assessment
8 of such student in the student’s native lan-
9 guage if such a native language assessment
10 is more likely than an English language
11 assessment to yield accurate and reliable
12 information on what that student knows
13 and is able to do; and

14 “(iv) notwithstanding clause (iii), the
15 assessment (using tests written in English)
16 of English language arts of any student
17 who has attended school in the United
18 States (not including the Commonwealth of
19 Puerto Rico) for 3 or more consecutive
20 school years, except that if the local edu-
21 cational agency determines, on a case-by-
22 case individual basis, that assessments in
23 another language and form would likely
24 yield more accurate and reliable informa-
25 tion on what such students know and can

1 do, the local educational agency may assess
2 such students in the appropriate language
3 other than English for 1 additional con-
4 secutive year beyond the third consecutive
5 year;

6 “(G) include students who have attended
7 schools served by a local educational agency for
8 a full academic year but have not attended a
9 single school for a full academic year, except
10 that the performance of students who have at-
11 tended more than 1 school served by the local
12 educational agency in any academic year shall
13 be used only in determining the progress of the
14 local educational agency;

15 “(H) provide individual student reports to
16 be submitted to parents, including reports con-
17 taining assessment scores or other information
18 on the attainment of student performance
19 standards;

20 “(I) enable results to be disaggregated
21 within each State, local educational agency, and
22 school by each major racial and ethnic group,
23 by gender, by English proficiency status, and by
24 classification as economically disadvantaged

1 students as compared to students who are not
 2 economically disadvantaged; and

3 “(J) to the extent practicable, use rigorous
 4 criteria.

5 “(5) FIRST GRADE LITERACY ASSESSMENT.—In
 6 addition to implementing the assessments described
 7 in paragraph (4), each State receiving funds under
 8 this part shall describe in the State plan what rea-
 9 sonable steps the State is taking to assist and en-
 10 courage local educational agencies—

11 “(A) to measure literacy skills of first
 12 graders in schools receiving funds under this
 13 part by providing assessments of first graders
 14 that are—

15 “(i) developmentally appropriate;

16 “(ii) aligned with State content and
 17 student performance standards; and

18 “(iii) tied to scientifically based re-
 19 search; and

20 “(B) to assist and encourage local edu-
 21 cational agencies receiving funds under this
 22 part in identifying and taking developmentally
 23 appropriate and effective interventions in any
 24 school served under this part in which a sub-
 25 stantial number of first graders have not dem-

1 onstrated grade-level literacy proficiency by the
2 end of the school year.

3 “(6) LANGUAGE ASSESSMENTS.—Each State
4 plan shall identify the languages other than English
5 and Spanish that are present in the participating
6 student populations in the State, and indicate the
7 languages for which yearly student assessments are
8 not available and are needed. The State may request
9 assistance from the Secretary in identifying assess-
10 ment measures in the needed languages. Upon re-
11 quest, the Secretary shall assist with the identifica-
12 tion of appropriate assessment measures in the
13 needed languages, but shall not mandate a specific
14 assessment or mode of instruction.

15 “(7) DEVELOPMENT AND IMPLEMENTATION.—
16 Each State plan shall provide that the State shall
17 develop and implement, at a minimum, the assess-
18 ments described in paragraph (4) in mathematics
19 and English language arts by the 2002–2003 school
20 year.

21 “(8) REQUIREMENT.—Each State plan shall
22 describe—

23 “(A) how the State educational agency will
24 assist each local educational agency and school
25 affected by the State plan to develop the capac-

1 ity to comply with each of the requirements of
2 sections 1114(b), 1115(c), and 1116 that are
3 applicable to such agency or school;

4 “(B) how the State educational agency
5 will—

6 “(i) hold each local educational agency
7 affected by the State plan accountable for
8 improved student performance, including
9 describing a procedure for—

10 “(I) identifying local educational
11 agencies and schools for improvement;
12 and

13 “(II) assisting local educational
14 agencies and schools identified as de-
15 scribed in subclause (I) to address
16 performance problems, including pro-
17 viding thorough descriptions of—

18 “(aa) the amounts and types
19 of professional development to be
20 provided to instructional staff;
21 and

22 “(bb) the amount of any fi-
23 nancial assistance to be provided
24 by the State under section 1003,
25 and the amount of any funds to

1 be provided through other
2 sources and the activities to be
3 provided with those funds; and

4 “(ii) implement corrective action if the
5 assistance is not effective;

6 “(C) how the State educational agency is
7 providing additional academic instruction, such
8 as before- and after-school programs and sum-
9 mer academic programs, to low-performing stu-
10 dents;

11 “(D) such other factors as the State con-
12 siders to be appropriate to provide students
13 with an opportunity to attain the knowledge
14 and skills described in the State’s challenging
15 content standards;

16 “(E) the specific steps that the State edu-
17 cational agency will take or the specific strate-
18 gies that the State educational agency will use
19 to ensure that—

20 “(i) all teachers in the State, in
21 schoolwide programs and targeted assist-
22 ance programs, are fully qualified not later
23 than December 31, 2006; and

24 “(ii) economically disadvantaged stu-
25 dents and minority students are not taught

1 at higher rates than other students by in-
 2 experienced, uncertified or unlicensed, or
 3 out-of-field teachers; and

4 “(F) the measures that the State edu-
 5 cational agency will use to evaluate and publicly
 6 report the State’s progress in improving the
 7 quality of instruction in the schools served by
 8 the State educational agency and local edu-
 9 cational agencies receiving funding under this
 10 Act.

11 “(c) OTHER PROVISIONS TO SUPPORT TEACHING
 12 AND LEARNING.—Each State plan shall contain assur-
 13 ances that—

14 “(1) the State educational agency will work
 15 with other agencies, including educational service
 16 agencies, or local consortia and institutions to pro-
 17 vide technical assistance to local educational agen-
 18 cies, elementary schools, and secondary schools to
 19 carry out the State educational agency’s responsibil-
 20 ities under this part, including providing technical
 21 assistance concerning providing professional develop-
 22 ment under section 1119A and technical assistance
 23 under section 1117;

24 “(2)(A) where educational service agencies
 25 exist, the State educational agency will consider pro-

1 viding professional development and technical assist-
2 ance through such agencies; and

3 “(B) where educational service agencies do not
4 exist, the State educational agency will consider pro-
5 viding professional development and technical assist-
6 ance through other cooperative arrangements, such
7 as through a consortium of local educational agen-
8 cies;

9 “(3) the State educational agency will use the
10 disaggregated results of the student assessments re-
11 quired under subsection (b)(4), and other measures
12 or indicators available to the State, to review annu-
13 ally the progress of each local educational agency
14 and school served under this part in the State to de-
15 termine whether each such agency and school is
16 making the annual progress necessary to ensure that
17 all students will meet the State’s proficient level of
18 performance on the State assessments described in
19 subsection (b)(4) within 10 years after the date of
20 enactment of the Public Education Reinvestment,
21 Reinvention, and Responsibility Act;

22 “(4) the State educational agency will provide
23 the least restrictive and burdensome regulations for
24 local educational agencies and individual elementary

1 schools and secondary schools participating in a pro-
2 gram assisted under this part;

3 “(5) the State educational agency will regularly
4 inform the Secretary and the public in the State of
5 any Federal laws that hinder the ability of States to
6 hold local educational agencies and schools account-
7 able for student academic performance, and how the
8 laws hinder that ability;

9 “(6) the State educational agency will encour-
10 age elementary schools and secondary schools to
11 consolidate funds from other Federal, State, and
12 local sources for schoolwide reform in schoolwide
13 programs under section 1114;

14 “(7) the State educational agency will modify or
15 eliminate State fiscal and accounting barriers so
16 that elementary schools and secondary schools can
17 easily consolidate funds from other Federal, State,
18 and local sources for schoolwide reform in
19 schoolwide programs under section 1114;

20 “(8) the State educational agency has involved
21 the committee of practitioners established under sec-
22 tion 1703(b) in developing the State plan and will
23 involve the committee in monitoring the implementa-
24 tion of the State plan; and

1 “(9) the State educational agency will inform
2 local educational agencies of the local educational
3 agencies’ authority to obtain waivers under title VIII
4 and, if the State is an Ed-Flex Partnership State,
5 waivers under the Education Flexibility Partnership
6 Act of 1999.

7 “(d) REVIEW.—

8 “(1) PEER REVIEW AND SECRETARIAL AP-
9 PROVAL.—The Secretary shall—

10 “(A) establish a peer review process to as-
11 sist in the review of State plans;

12 “(B) only approve a State plan meeting
13 each of the requirements of this section;

14 “(C) if the Secretary determines that the
15 State plan does not meet each of the require-
16 ments of subsections (a), (b), and (c), imme-
17 diately notify the State of such determination
18 and the reasons for such determination;

19 “(D) not disapprove a State plan before—

20 “(i) notifying the State educational
21 agency in writing of the specific defi-
22 ciencies of the State plan;

23 “(ii) offering the State an opportunity
24 to revise the State plan;

1 “(iii) providing technical assistance in
2 order to assist the State to meet the re-
3 quirements of subsections (a), (b), and (c);
4 and

5 “(iv) providing a hearing;

6 “(E) have the authority to disapprove a
7 State plan for not meeting the requirements of
8 this section, but shall not have the authority to
9 require a State, as a condition of approval of
10 the State plan, to include in, or delete from,
11 such plan 1 or more specific elements of the
12 challenging State content standards or to use
13 specific assessment instruments or items; and

14 “(F) if the Secretary disapproves a State
15 plan that is—

16 “(i) the first State plan submitted by
17 a State after the date of enactment of the
18 Public Education Reinvestment, Reinven-
19 tion, and Responsibility Act, require the
20 State to submit a revised State plan that
21 meets the requirements of this section to
22 the Secretary for approval not later than 1
23 year after the date of disapproval; and

24 “(ii) the second or a subsequent State
25 plan submitted by a State after the date of

1 enactment, require the State to submit
 2 such a revised State plan to the Secretary
 3 for approval not later than 30 days after
 4 the date of disapproval.

5 “(2) REVIEW.—The Secretary shall review in-
 6 formation from the State on the adequate yearly
 7 progress of schools and local educational agencies
 8 within the State required under subsection (b)(2) for
 9 the purpose of determining State and local compli-
 10 ance with section 1116.

11 “(e) DURATION OF THE PLAN.—

12 “(1) IN GENERAL.—Each State plan shall—

13 “(A) remain in effect for the duration of
 14 the State’s participation under this part; and

15 “(B) be periodically reviewed and revised
 16 by the State, as necessary, to reflect changes in
 17 the State’s strategies and programs under this
 18 part.

19 “(2) ADDITIONAL INFORMATION.—If the State
 20 makes significant changes in the State plan, such as
 21 the adoption of new challenging State content stand-
 22 ards and State student performance standards, new
 23 assessments, or a new definition of adequate yearly
 24 progress, the State shall submit information on such
 25 significant changes to the Secretary.

1 “(f) LIMITATION ON CONDITIONS.—Nothing in this
 2 part shall be construed to authorize an officer or employee
 3 of the Federal Government to mandate, direct, or control
 4 a State’s, local educational agency’s, or elementary
 5 school’s or secondary school’s specific challenging content
 6 or student performance standards, assessments, curricula,
 7 or program of instruction, as a condition of eligibility to
 8 receive funds under this part.

9 “(g) PENALTIES.—

10 “(1) IN GENERAL.—If a State fails to meet the
 11 statutory deadlines for demonstrating that the State
 12 has in place challenging content standards and stu-
 13 dent performance standards (including deadlines for
 14 standards required under section 1111(b)(6), as in
 15 effect on the day before the date of enactment of the
 16 Public Education Reinvestment, Reinvention, and
 17 Responsibility Act), assessments, and a statewide
 18 State accountability system for holding schools and
 19 local educational agencies accountable for making
 20 adequate yearly progress (including adequate yearly
 21 progress with each group of students specified in
 22 subsection (b)(2)(B)(iv)), for the fiscal year after
 23 the failure, the State shall be ineligible to receive a
 24 greater amount of administrative funds under sec-
 25 tion 1703(c) than the amount the State received for

1 the previous year for the purposes described in sec-
2 tion 1703(c).

3 “(2) ADDITIONAL FUNDS.—Based on the extent
4 to which the standards, assessments, and system de-
5 scribed in paragraph (1) are not in place, the Sec-
6 retary shall withhold from the State, in addition to
7 any amount withheld under paragraph (1), addi-
8 tional administrative funds under section 1703(c).
9 The Secretary shall withhold such additional funds
10 as the Secretary determines to be appropriate, ex-
11 cept that if the State fails to meet the deadlines for
12 a second or subsequent fiscal year, the Secretary
13 shall withhold, for the fiscal year after the failure,
14 not less than $\frac{1}{5}$ of the amount of administrative
15 funds the State received under section 1703(c) dur-
16 ing the first year in which the State failed to meet
17 the deadlines.

18 “(3) WAIVER.—

19 “(A) IN GENERAL.—Except as provided in
20 subparagraph (B), notwithstanding part D of
21 title VIII, the Education Flexibility Partnership
22 Act of 1999, or any other provision of law, the
23 Secretary may not grant a waiver of the re-
24 quirements of this section, except that a State

1 may request a 1-time, 1-year waiver to meet the
2 requirements of this section.

3 “(B) EXCEPTION.—A waiver granted pur-
4 suant to subparagraph (A) shall not apply to
5 the requirements described under subsection
6 (h).

7 “(h) SPECIAL RULE ON SCIENCE STANDARDS AND
8 ASSESSMENTS.—Notwithstanding subsection (b) and part
9 D of title IV, no State shall be required to meet the re-
10 quirements under this title relating to science standards
11 or assessments until the beginning of the 2006–2007
12 school year.”.

13 **SEC. 112. LOCAL EDUCATIONAL AGENCY PLANS.**

14 (a) SUBGRANTS.—Section 1112(a)(1) (20 U.S.C.
15 6312(a)(1)) is amended by striking “the Goals 2000: Edu-
16 cate America Act,” and all that follows and inserting “the
17 Individuals with Disabilities Education Act, the Carl D.
18 Perkins Vocational and Technical Education Act of 1998,
19 the Head Start Act, and other Acts, as appropriate.”.

20 (b) PLAN PROVISIONS.—Section 1112(b) (20 U.S.C.
21 6312(b)) is amended—

22 (1) in the matter preceding paragraph (1), by
23 striking “Each” and inserting “In order to help low-
24 performing students meet high standards, each”;

25 (2) in paragraph (1)—

1 (A) by striking “part” each place it ap-
 2 pears and inserting “title”; and

3 (B) in subparagraph (B), by striking “chil-
 4 dren” and inserting “low-performing students”;
 5 (3) in paragraph (4)—

6 (A) in subparagraph (A)—

7 (i) by striking “elementary school pro-
 8 grams,” and inserting “programs, and”;
 9 and

10 (ii) by striking “, and school-to-work
 11 transition programs”; and

12 (B) in subparagraph (B), by striking
 13 “under part C” the first place it appears and
 14 all that follows through “dropping out” and in-
 15 serting “under part C, neglected or delinquent
 16 youth”;

17 (4) in paragraph (7), by striking “eligible”;

18 (5) in paragraph (9), by striking the period and
 19 inserting a semicolon; and

20 (6) by adding at the end the following new
 21 paragraphs:

22 “(10) a description of the actions the local edu-
 23 cational agency will take to assist the low-per-
 24 forming schools served by the local educational agen-

1 cy, including schools identified under section 1116
2 for school improvement;

3 “(11) a description of how the local educational
4 agency will promote the use of alternative instruc-
5 tional methods, and extended learning time options,
6 such as an extended school year, before- and after-
7 school programs, and summer programs; and

8 “(12) a description of—

9 “(A) the steps the local educational agency
10 will take to ensure that all teachers in
11 schoolwide programs and targeted assistance
12 programs assisted under this part are fully
13 qualified not later than December 31, 2006;

14 “(B) the strategies the local educational
15 agency will use to ensure that economically dis-
16 advantaged students and minority students are
17 not taught at higher rates than other students
18 by inexperienced, uncertified or unlicensed, or
19 out-of-field teachers; and

20 “(C) the measures the agency will use to
21 evaluate and publicly report progress in improv-
22 ing the quality of instruction in schools served
23 by the local educational agency and receiving
24 funding under this Act.”.

1 (c) ASSURANCES.—Section 1112(c) (20 U.S.C.
2 6312(c)) is amended to read as follows:

3 “(c) ASSURANCES.—

4 “(1) IN GENERAL.—Each local educational
5 agency plan shall provide assurances that the local
6 educational agency will—

7 “(A) reserve not less than 10 percent of
8 the funds the agency receives under this part
9 for high quality professional development, as
10 described in section 1119A, for professional in-
11 structional staff;

12 “(B) provide eligible schools and parents
13 with information regarding schoolwide program
14 authority and the ability of such schools to con-
15 solidate funds from Federal, State, and local
16 sources;

17 “(C) provide technical assistance and sup-
18 port to schools participating in schoolwide pro-
19 grams;

20 “(D) work in consultation with schools as
21 the schools develop school plans pursuant to
22 section 1114(b)(2), and assist schools in imple-
23 menting such plans or undertaking activities
24 pursuant to section 1115(c), so that each school
25 can make adequate yearly progress toward

1 meeting the challenging State student perform-
2 ance standards;

3 “(E) use the disaggregated results of the
4 student assessments required under section
5 1111(b)(4), and other measures or indicators
6 available to the agency, to review annually the
7 progress of each school served by the agency
8 and receiving funds under this title to deter-
9 mine whether or not all of the schools are mak-
10 ing the annual progress necessary to ensure
11 that all students will meet the State’s proficient
12 level of performance on the State assessments
13 described in section 1111(b)(4) within 10 years
14 after the date of enactment of the Public Edu-
15 cation Reinvestment, Reinvention, and Respon-
16 sibility Act;

17 “(F) set, and hold schools served by the
18 local educational agency accountable for meet-
19 ing, annual numerical goals for improving the
20 performance of all groups of students based on
21 the performance standards set by the State
22 under section 1111(b)(1)(D)(ii);

23 “(G) fulfill the local educational agency’s
24 school improvement responsibilities under sec-

tion 1116, including taking corrective actions under section 1116(c)(10);

“(H) provide the State educational agency with—

“(i) an annual, up-to-date, and accurate list of all schools served by the local educational agency that are identified for school improvement and corrective action;

“(ii) the reasons why each school described in clause (i) was identified for school improvement or corrective action; and

“(iii) specific plans for improving student performance in each of the schools described in clause (i), including specific numerical performance goals for each school, for the 2 school years after the school is identified for school improvement, for each group of students specified in section 1111(b)(2)(B)(iv) enrolled in the school;

“(I) provide services to eligible students attending private elementary schools and secondary schools in accordance with section 1120, and provide timely and meaningful consultation

1 with private school officials regarding such serv-
2 ices;

3 “(J) take into account the experience
4 gained from model programs for the education-
5 ally disadvantaged and the findings of relevant
6 scientifically based research when developing
7 technical assistance plans for, and delivering
8 technical assistance to, schools served by the
9 local educational agency that are receiving
10 funds under this part and are in school im-
11 provement or corrective action status;

12 “(K) in the case of a local educational
13 agency that chooses to use funds under this
14 part to provide early childhood development
15 services to economically disadvantaged children
16 below the age of compulsory school attendance,
17 ensure that such services meet the performance
18 standards established under subparagraphs (A)
19 and (B) of section 641A(a)(1) of the Head
20 Start Act;

21 “(L) comply with the requirements of sec-
22 tion 1119 regarding the qualifications of teach-
23 ers and paraprofessionals;

24 “(M) inform eligible schools served by the
25 local educational agency of the agency’s author-

ity to obtain waivers on such schools' behalf under title VIII and, if the State is an Ed-Flex Partnership State, under the Education Flexibility Partnership Act of 1999; and

“(N) coordinate activities and collaborate, to the extent feasible and necessary as determined by the local educational agency, with other agencies providing services to children, youth, and their families.

“(2) MODEL PROGRAMS; SCIENTIFICALLY BASED RESEARCH.—For purposes of enabling local educational agencies to implement paragraph (1)(J)—

“(A) the Secretary shall consult with the Secretary of Health and Human Services on the implementation of such paragraph, and shall establish procedures (taking into consideration State and local laws and local teacher contracts) to assist local educational agencies to comply with such paragraph;

“(B) the Secretary shall disseminate to local educational agencies the performance standards issued under subparagraphs (A) and (B) of section 641A(a)(1) of the Head Start Act, on the publication of such standards; and

1 “(C) local educational agencies affected by
 2 such paragraph (1)(J) shall plan for the imple-
 3 mentation of such paragraph (taking into con-
 4 sideration State and local laws and local teacher
 5 contracts), including pursuing the availability of
 6 other Federal, State, and local funding to assist
 7 in compliance with such paragraph.

8 “(3) INAPPLICABILITY.—The provisions of this
 9 subsection shall not apply to preschool programs
 10 using an Even Start model or to Even Start pro-
 11 grams.”.

12 (d) PLAN DEVELOPMENT AND DURATION.—Section
 13 1112(d) (20 U.S.C. 6312(d)) is amended to read as fol-
 14 lows:

15 “(d) PLAN DEVELOPMENT AND DURATION.—

16 “(1) CONSULTATION.—Each local educational
 17 agency plan shall be developed in consultation with
 18 teachers, principals, local school boards, administra-
 19 tors (including administrators of programs described
 20 in other parts of this title), other appropriate school
 21 personnel, and parents of students in elementary
 22 schools and secondary schools served under this
 23 part.

24 “(2) DURATION.—Each plan described in para-
 25 graph (1) shall remain in effect for the duration of

1 the local educational agency's participation under
2 this part.

3 “(3) REVIEW.—Each local educational agency
4 shall periodically review and, as necessary, revise the
5 agency's plan.”.

6 (e) STATE APPROVAL.—Section 1112(e) (20 U.S.C.
7 6312(e)) is amended to read as follows:

8 “(e) PEER REVIEW AND STATE APPROVAL.—

9 “(1) IN GENERAL.—Each local educational
10 agency plan shall be filed according to a schedule es-
11 tablished by the State educational agency.

12 “(2) APPROVAL.—The State educational agency
13 shall establish a peer review process to assist in the
14 review of local educational agency plans. The State
15 educational agency shall approve a local educational
16 agency plan only if the State educational agency de-
17 termines that the local educational agency plan—

18 “(A) will enable elementary schools and
19 secondary schools served by the local edu-
20 cational agency and under this part to help all
21 groups of students specified in section
22 1111(b)(2)(B)(iv) to meet the State's proficient
23 level of performance on the State assessments
24 described in section 1111(b)(4) within 10 years
25 after the date of enactment of the Public Edu-

1 cation Reinvestment, Reinvention, and Respon-
2 sibility Act; and

3 “(B) meets each of the requirements of
4 this section.

5 “(3) STATE REVIEW.—Each State educational
6 agency shall at least annually review each local edu-
7 cational agency plan approved by the State edu-
8 cational agency under this subsection, including
9 comparing the objectives of the plan against the re-
10 sults of the disaggregated assessments required
11 under section 1111(b)(4). The State educational
12 agency shall conduct the review to ensure that the
13 progress of all students in schools served by a local
14 educational agency in the State under this part is
15 adequate to ensure that all students in the State will
16 meet the State’s proficient level of performance on
17 the State assessments described in section
18 1111(b)(4) within 10 years after the date of enact-
19 ment of the Public Education Reinvestment, Re-
20 invention, and Responsibility Act.

21 “(4) PUBLIC REVIEW.—Each State educational
22 agency will make publicly available each such local
23 educational agency plan.”.

1 (f) PARENTAL NOTIFICATION FOR ENGLISH LAN-
 2 GUAGE INSTRUCTION.—Section 1112 (20 U.S.C. 6312) is
 3 amended by adding at the end the following:

4 “(g) PARENTAL NOTIFICATION FOR ENGLISH LAN-
 5 GUAGE INSTRUCTION.—

6 “(1) NOTIFICATION.—If a local educational
 7 agency uses funds under this part to provide English
 8 language instruction to limited English proficient
 9 students, the local educational agency shall notify
 10 the parents of a student participating in an English
 11 language instruction educational program under this
 12 part of—

13 “(A) the reasons for the identification of
 14 the student as being in need of English lan-
 15 guage instruction;

16 “(B) the student’s level of English pro-
 17 ficiency, how such level was assessed, and the
 18 status of the student’s academic performance;

19 “(C) how the English language instruction
 20 educational program will specifically help the
 21 student learn English and meet age-appropriate
 22 standards for grade promotion and graduation;

23 “(D) the specific exit requirements of the
 24 English language instruction educational pro-
 25 gram;

1 “(E) the expected rate of graduation from
2 the English language instruction educational
3 program into mainstream classes; and

4 “(F) the expected rate of graduation from
5 secondary school of participants in the English
6 language instruction educational program, if
7 funds under this part are used for students in
8 secondary schools.

9 “(2) PARENTAL RIGHTS.—

10 “(A) IN GENERAL.—The parents of a stu-
11 dent participating in an English language in-
12 struction educational program under this part
13 shall—

14 “(i) have the option of selecting
15 among methods of instruction, if more
16 than 1 method is offered for the program;
17 and

18 “(ii) have the right to have their child
19 immediately removed from the program on
20 their request.

21 “(B) RECEIPT OF INFORMATION.—The
22 parents of a student identified for participation
23 in an English language instruction educational
24 program under this part shall receive, in a man-
25 ner and form understandable to the parents,

1 the information required by paragraph (1) and
 2 this paragraph. At a minimum, the parents
 3 shall receive—

4 “(i) timely information about English
 5 language instruction educational programs
 6 for limited English proficient students as-
 7 sisted under this part; and

8 “(ii) if the parents of a participating
 9 student so desire, notice of opportunities
 10 for regular meetings of parents of limited
 11 English proficient students participating in
 12 English language instruction educational
 13 programs under this part for the purpose
 14 of formulating and responding to rec-
 15 ommendations from such parents.

16 “(3) BASIS FOR ADMISSION OR EXCLUSION.—
 17 No student shall be admitted to or excluded from
 18 any federally assisted education program solely on
 19 the basis of a surname or language minority sta-
 20 tus.”.

21 **SEC. 113. SCHOOLWIDE PROGRAMS.**

22 (a) USE OF FUNDS FOR SCHOOLWIDE PROGRAMS.—
 23 Section 1114(a) (20 U.S.C. 6314(a)) is amended—

24 (1) in paragraph (1), by striking “school de-
 25 scribed in subparagraph (A)” and all that follows

1 through “such families.” the second place it appears
 2 and inserting “school that serves an eligible school
 3 attendance area if—

4 “(A) not less than 40 percent of the chil-
 5 dren in the school attendance area are from
 6 economically disadvantaged families; or

7 “(B) not less than 40 percent of the chil-
 8 dren enrolled in the school are from such fami-
 9 lies.”; and
 10 (2) in paragraph (2)—

11 (A) in subparagraph (A), by striking “sub-
 12 sections (c)(1) and (e) of”; and

13 (B) in subparagraph (B), by striking “sub-
 14 sections (c)(1) and (e) of”.

15 (b) COMPONENTS OF A SCHOOLWIDE PROGRAM.—

16 Section 1114(b) (20 U.S.C. 6314(b)) is amended—

17 (1) in paragraph (1)—

18 (A) in subparagraph (A), by striking “sec-
 19 tion 1111(b)(1)” and inserting “section
 20 1111(b)”;

21 (B) in subparagraph (B)—

22 (i) in clause (i), by striking “section
 23 1111(b)(1)(D)” and inserting “1111(b)”;

24 (ii) in clause (iii)(II), by inserting
 25 “and” after the semicolon;

- 1 (iii) in clause (iv)(II), by striking “;
- 2 and” and inserting a period; and
- 3 (iv) by striking clause (vii); and
- 4 (C) in subparagraph (G), by striking “sec-
- 5 tion 1112(b)(1)” and inserting “section 1112”;
- 6 and
- 7 (2) in paragraph (2)—
- 8 (A) in subparagraph (A)—
- 9 (i) by striking “Improving America’s
- 10 Schools Act of 1994” and inserting “Pub-
- 11 lic Education Reinvestment, Reinvention,
- 12 and Responsibility Act”;
- 13 (ii) by striking “subsections (c)(1)
- 14 and (e) of”; and
- 15 (iii) in clause (iv), by striking “section
- 16 1111(b)(3)” and inserting “section
- 17 1111(b)(4)”;
- 18 (B) in subparagraph (B), by striking
- 19 “paragraphs (1) and (3) of section 1111(b)”
- 20 and inserting “paragraphs (1) and (4) of sec-
- 21 tion 1111(b)”;
- 22 (C) in subparagraph (C)(i)—
- 23 (i) in subclause (I), by striking “sub-
- 24 sections (c) and (e) of”; and

1 (ii) in subclause (II), by striking “Im-
 2 proving America’s Schools Act of 1994”
 3 and inserting “Public Education Reinvest-
 4 ment, Reinvention, and Responsibility
 5 Act”.

6 **SEC. 114. SCHOOL CHOICE.**

7 Section 1115A (20 U.S.C. 6316) is amended to read
 8 as follows:

9 **“SEC. 1115A. SCHOOL CHOICE.**

10 “(a) CHOICE PROGRAMS.—A local educational agen-
 11 cy may use funds under this part, in combination with
 12 State, local, and private funds, to develop and implement
 13 public school choice programs, for students eligible for as-
 14 sistance under this part, that permit parents to select the
 15 public school that their child will attend and are consistent
 16 with State and local law, policy, and practice related to
 17 public school choice and local pupil transfer.

18 “(b) CHOICE PLAN.—A local educational agency that
 19 chooses to implement a public school choice program
 20 under this section shall first develop a plan that—

21 “(1) contains an assurance that all eligible stu-
 22 dents, across grade levels, who are served under this
 23 part will have equal access to the program;

24 “(2) contains an assurance that the program
 25 does not include elementary schools or secondary

1 schools that follow a racially discriminatory policy in
2 providing services to students;

3 “(3) describes how elementary schools or sec-
4 ondary schools will use resources under this part,
5 and from other sources, to implement the plan;

6 “(4) contains an assurance that the plan has
7 been developed with the involvement of parents and
8 others in the community to be served, and individ-
9 uals who will carry out the plan, including adminis-
10 trators, teachers, principals, and other staff;

11 “(5) contains an assurance that parents of eli-
12 gible students served by the local educational agency
13 will be given prompt notice of the existence of the
14 public school choice program, and the program’s
15 availability to such parents, and a clear explanation
16 of how the program will operate;

17 “(6) contains an assurance that the public
18 school choice program—

19 “(A) will include charter schools (as de-
20 fined in section 4210) and any other public ele-
21 mentary school or secondary school served by
22 the local educational agency; and

23 “(B) will not include as a school receiving
24 transfers under the program an elementary

1 school or a secondary school that the local edu-
 2 cational agency determines—

3 “(i) is in school improvement or cor-
 4 rective action status;

5 “(ii) has been in school improvement
 6 or corrective action status during the 2
 7 academic years before the determination;
 8 or

9 “(iii) is at risk of being identified for
 10 school improvement or corrective action
 11 during the academic year after the deter-
 12 mination;

13 “(7) contains an assurance that transportation
 14 services or the costs of transportation to and from
 15 a public school to which a student transfers under
 16 the public school choice program—

17 “(A) may be provided by the local edu-
 18 cational agency with funds under this part and
 19 funds from other sources; and

20 “(B) shall not be provided using more than
 21 10 percent of the funds made available under
 22 this part to the local educational agency; and

23 “(8) contains an assurance that such local edu-
 24 cational agency will comply with the other require-
 25 ments of this part.”.

1 **SEC. 115. ASSESSMENT AND LOCAL EDUCATIONAL AGENCY**
 2 **AND SCHOOL IMPROVEMENT.**

3 (a) LOCAL REVIEW.—Section 1116(a) (20 U.S.C.
 4 6317(a)) is amended—

5 (1) in paragraph (2), by striking
 6 “1111(b)(2)(A)(i)” and inserting “1111(b)(2)”;

7 (2) in paragraph (3)—

8 (A) by striking “individual school perform-
 9 ance profiles” and inserting “school report
 10 cards”;

11 (B) by striking “1111(b)(3)(I)” and in-
 12 serting “1111(b)(4)(I)”;

13 (C) by striking “and” after the semicolon;

14 (3) in paragraph (4), by striking the period and
 15 inserting “; and”;

16 (4) by adding at the end the following:

17 “(5) review the effectiveness of the actions and
 18 activities the schools are carrying out under this
 19 part with respect to parental involvement.”.

20 (b) SCHOOL IMPROVEMENT.—Section 1116(c) (20
 21 U.S.C. 6317(c)) is amended to read as follows:

22 “(c) SCHOOL IMPROVEMENT.—

23 “(1) IN GENERAL.—A local educational agency
 24 shall identify for school improvement any elementary
 25 school or secondary school served under this part
 26 that—

1 “(A) for 2 consecutive years failed to make
2 adequate yearly progress as defined in the
3 State’s plan under section 1111(b)(2); or

4 “(B) was in school improvement status
5 under this section on the day before the date of
6 enactment of the Public Education Reinvest-
7 ment, Reinvention, and Responsibility Act.

8 “(2) TRANSITION.—The 2-year period described
9 in paragraph (1)(A) shall include any continuous pe-
10 riod of time immediately before the date of enact-
11 ment of the Public Education Reinvestment, Re-
12 invention, and Responsibility Act during which an el-
13 ementary school or a secondary school did not make
14 adequate yearly progress as defined in the State’s
15 plan, as such plan was in effect on the day before
16 the date of enactment of the Public Education Rein-
17 vestment, Reinvention, and Responsibility Act.

18 “(3) TARGETED ASSISTANCE SCHOOLS.—To de-
19 termine if an elementary school or a secondary
20 school that is conducting a targeted assistance pro-
21 gram under section 1115 should be identified for
22 school improvement under this subsection, a local
23 educational agency may choose to review the
24 progress of only the students in such school who are
25 served, or are eligible for services, under this part.

1 “(4) OPPORTUNITY TO REVIEW AND PRESENT
2 EVIDENCE.—(A) Before identifying an elementary
3 school or a secondary school for school improvement
4 under paragraph (1), the local educational agency
5 shall provide the school with an opportunity to re-
6 view the school level data, including assessment
7 data, on which the proposed identification is based.

8 “(B) If the principal of a school proposed for
9 identification for school improvement believes that
10 the proposed identification is in error for statistical
11 or other substantive reasons, the principal may pro-
12 vide supporting evidence to the local educational
13 agency, which shall consider such evidence before
14 making a final determination.

15 “(5) TIME LIMITS.—Not later than 30 days
16 after a local educational agency makes an initial de-
17 termination concerning identifying a school served
18 by the agency and receiving assistance under this
19 part for school improvement, the local educational
20 agency shall make public a final determination on
21 the status of the school.

22 “(6) NOTIFICATION TO PARENTS.—A local edu-
23 cational agency shall, in an easily understandable
24 format, and in the 3 languages, other than English,
25 spoken by the greatest number of individuals in the

1 area served by the local educational agency, provide
2 in writing to parents of each student in an elemen-
3 tary school or a secondary school identified for
4 school improvement—

5 “(A) an explanation of what the school im-
6 provement identification means, and how the
7 school identified for school improvement com-
8 pares in terms of academic performance to
9 other elementary schools or secondary schools
10 served by the local educational agency and the
11 State educational agency involved;

12 “(B) the reasons for such identification;

13 “(C) a description of the data on which
14 such identification was based;

15 “(D) an explanation of what the school
16 identified for school improvement is doing to
17 address the problem of low performance;

18 “(E) an explanation of what the local edu-
19 cational agency or State educational agency is
20 doing to help the school address the perform-
21 ance problem, including an explanation of the
22 amounts and types of professional development
23 being provided to the instructional staff in such
24 school, the amount of any financial assistance
25 being provided by the State educational agency

1 under section 1003, and the activities that are
 2 being provided with such financial assistance;

3 “(F) an explanation of how parents de-
 4 scribed in this paragraph can become involved
 5 in addressing the academic issues that caused
 6 the school to be identified for school improve-
 7 ment; and

8 “(G) an explanation of the right of par-
 9 ents, pursuant to paragraph (7), to transfer
 10 their child to a higher performing public school,
 11 including a public charter school or magnet
 12 school, that is not in school improvement sta-
 13 tus, and how such transfer will be carried out.

14 “(7) PUBLIC SCHOOL CHOICE OPTION.—(A)(i)
 15 In the case of a school identified for school improve-
 16 ment on or before the date of enactment of the Pub-
 17 lic Education Reinvestment, Reinvention, and Re-
 18 sponsibility Act, a local educational agency shall, not
 19 later than 18 months after such date of enactment,
 20 provide all students enrolled in the school an option
 21 to transfer (consistent with State and local law, pol-
 22 icy, and practices related to public school choice and
 23 local pupil transfer) to any higher performing public
 24 school, including a public charter or magnet school,
 25 that—

1 “(I) is not in school improvement or cor-
2 rective action status;

3 “(II) has not been in school improvement
4 or corrective action status at any time during
5 the 2 academic years before the identification;
6 and

7 “(III) is not at risk of being identified for
8 school improvement or corrective action during
9 the academic year after the identification.

10 “(ii) In the case of a school identified for school
11 improvement after the date of enactment of the Pub-
12 lic Education Reinvestment, Reinvention, and Re-
13 sponsibility Act, the local educational agency in-
14 volved shall, not later than 12 months after the date
15 on which the local educational agency identifies the
16 school for school improvement, provide all students
17 enrolled in the school with the transfer option de-
18 scribed in clause (i).

19 “(B) If all public schools served by the local
20 educational agency to which a student may transfer
21 under clause (i) are identified for school improve-
22 ment or corrective action, or, if public schools in the
23 agency’s jurisdiction that are not in school improve-
24 ment or corrective action status cannot accommo-
25 date all of the students who are eligible to transfer

1 because of capacity constraints, or State or local
2 law, policy, and practices related to public school
3 choice and local pupil transfer, the local educational
4 agency shall, to the extent practicable, establish a
5 cooperative agreement with other local educational
6 agencies that serve areas in proximity to the area
7 served by the local educational agency. The coopera-
8 tive agreement shall enable a student to transfer
9 (consistent with State and local law, policy, and
10 practices related to public school choice and local
11 pupil transfer) to a school served by such other local
12 educational agencies that meets the requirements de-
13 scribed in subparagraph (A)(i).

14 “(C) A local educational agency that serves a
15 school that has been identified for corrective action
16 shall provide transportation services or pay for the
17 costs of transportation for students who transfer to
18 a different school pursuant to this paragraph. Not
19 more than 10 percent of the funds allocated to a
20 local educational agency under this part may be
21 used to provide such transportation services or pay
22 for the costs of such transportation.

23 “(D) Once a school is no longer identified for
24 school improvement, the local educational agency
25 shall continue to provide the transfer option de-

scribed in subparagraph (A)(i) to students in such school for a period of not less than 2 years.

“(8) SCHOOL PLAN.—(A) Each school identified under paragraph (1) for school improvement shall, not later than 3 months after being so identified, develop or revise a school plan, in consultation with parents, school staff, the local educational agency serving the school, the local school board, and other outside experts, for approval by such local educational agency. The school plan shall—

“(i) incorporate scientifically based research strategies that strengthen the core academic subjects in the school and address the specific academic issues that caused the school to be identified for school improvement;

“(ii) adopt policies and practices concerning the school’s core academic subjects that have the greatest likelihood of ensuring that all groups of students specified in section 1111(b)(2)(B)(iv) and enrolled in the school will meet the State’s proficient level of performance on the State assessment described in section 1111(b)(4) within 10 years after the date of enactment of the Public Education Reinvestment, Reinvention, and Responsibility Act;

1 “(iii) provide an assurance that the school
2 will reserve not less than 10 percent of the
3 funds made available to the school under this
4 part for each fiscal year that the school is in
5 school improvement status, for the purpose of
6 providing to the school’s teachers and principal
7 high quality professional development that—

8 “(I) directly addresses the academic
9 performance problem that caused the
10 school to be identified for school improve-
11 ment; and

12 “(II) meets the requirements for pro-
13 fessional development activities under sec-
14 tion 1119A;

15 “(iv) specify how the funds described in
16 clause (iii) will be used to remove the school
17 from school improvement status;

18 “(v) establish specific annual, numerical
19 progress goals for each group of students speci-
20 fied in section 1111(b)(2)(B)(iv) and enrolled in
21 the school that will ensure that all such groups
22 of students will meet the State’s proficient level
23 of performance on the State assessment de-
24 scribed in section 1111(b)(4) within 10 years
25 after the date of enactment of the Public Edu-

1 cation Reinvestment, Reinvention, and Respon-
2 sibility Act;

3 “(vi) identify how the school will provide
4 written notification about the identification to
5 parents of each student enrolled in such school,
6 in a format and, to the extent practicable, in a
7 language such parents can understand; and

8 “(vii) specify the responsibilities of the
9 school, the local educational agency, and the
10 State educational agency serving such school
11 under the plan.

12 “(B) The local educational agency described in
13 subparagraph (A)(vii) may condition approval of a
14 school plan on inclusion of 1 or more of the correc-
15 tive actions specified in paragraph (10)(D).

16 “(C) A school shall implement the school plan
17 (including a revised plan) expeditiously, but not later
18 than the beginning of the school year following the
19 school year in which the school was identified for
20 school improvement.

21 “(D) The local educational agency described in
22 subparagraph (A)(vii) shall establish a peer review
23 process to assist with review of a school plan pre-
24 pared by a school served by the local educational
25 agency, promptly review the school plan, work with

1 the school as necessary, and approve the school plan
2 if the school plan meets the requirements of this
3 paragraph.

4 “(9) TECHNICAL ASSISTANCE.—(A) For each
5 school identified for school improvement under para-
6 graph (1), the local educational agency serving the
7 school shall provide technical assistance as the
8 school develops and implements the school plan.

9 “(B) Such technical assistance—

10 “(i) shall include assistance in analyzing
11 data from the assessments required under sec-
12 tion 1111(b)(4), and other samples of student
13 work, to identify and address instructional
14 problems and solutions;

15 “(ii) shall include assistance in identifying
16 and implementing instructional strategies and
17 methods that are tied to scientifically based re-
18 search and that have proven effective in ad-
19 dressing the specific instructional issues that
20 caused the school to be identified for school im-
21 provement;

22 “(iii) shall include assistance in analyzing
23 and revising the school’s budget so that the
24 school resources are more effectively allocated
25 for the activities most likely to increase student

1 performance and to remove the school from
2 school improvement status; and

3 “(iv) may be provided—

4 “(I) by the local educational agency,
5 through mechanisms authorized under sec-
6 tion 1117; or

7 “(II) with the local educational agen-
8 cy’s approval, by the State educational
9 agency, an institution of higher education
10 (in full compliance with all the reporting
11 provisions of title II of the Higher Edu-
12 cation Act of 1965), a private not-for-prof-
13 it organization or for-profit organization,
14 an educational service agency, the recipient
15 of a Federal contract or cooperative agree-
16 ment as described under section
17 7104(a)(3), or another entity with experi-
18 ence in helping schools improve perform-
19 ance.

20 “(C) Technical assistance provided under this
21 section by a local educational agency or an entity ap-
22 proved by such agency shall be based on scientif-
23 ically based research.

1 “(10) CORRECTIVE ACTION.—(A) In this para-
 2 graph, the term ‘corrective action’ means action,
 3 consistent with State and local law, that—

4 “(i) substantially and directly responds
 5 to—

6 “(I) the consistent academic failure of
 7 a school that caused the local educational
 8 agency to take such action; and

9 “(II) any underlying staffing, cur-
 10 riculum, or other problem in the school;
 11 and

12 “(ii) is designed to increase substantially
 13 the likelihood that students enrolled in the
 14 school identified for corrective action will per-
 15 form at the State’s proficient and advanced lev-
 16 els of performance on the State assessment de-
 17 scribed in section 1111(b)(4).

18 “(B) In order to help students served under
 19 this part meet challenging State standards, each
 20 local educational agency shall implement a system of
 21 corrective action in accordance with subparagraphs
 22 (C) through (H).

23 “(C) After providing technical assistance under
 24 paragraph (9) and subject to subparagraph (G), the
 25 local educational agency—

1 “(i) may identify for corrective action and
 2 take corrective action at any time with respect
 3 to a school that is served by the local edu-
 4 cational agency and that has been identified
 5 under paragraph (1);

6 “(ii) shall identify for corrective action and
 7 take corrective action with respect to any school
 8 served by the local educational agency that fails
 9 to make adequate yearly progress, as defined by
 10 the State under section 1111(b)(2), at the end
 11 of the second year after the school year in
 12 which the school was identified under para-
 13 graph (1); and

14 “(iii) shall continue to provide technical as-
 15 sistance while instituting any corrective action
 16 under clause (i) or (ii).

17 “(D) In the case of a school described in sub-
 18 paragraph (C)(ii), the local educational agency shall
 19 take corrective action by—

20 “(i)(I) withholding funds from the school;

21 “(II) making alternative governance ar-
 22 rangements, including reopening the school as a
 23 public charter school;

24 “(III) reconstituting the relevant school
 25 staff; or

1 “(IV) instituting and fully implementing a
2 new curriculum, including providing appropriate
3 professional development for all relevant staff,
4 that is tied to scientifically based research and
5 offers substantial promise of improving edu-
6 cational performance for low-performing stu-
7 dents; and

8 “(ii)(I) authorizing students to transfer
9 (consistent with the requirements of paragraph
10 (7)) to higher performing public schools served
11 by the local educational agency, including public
12 charter and magnet schools; and

13 “(II) providing to such students transpor-
14 tation services, or paying for the cost of trans-
15 portation, to such schools (except that the
16 funds used by the local educational agency to
17 provide the transportation services or pay for
18 the cost of transportation shall not exceed 10
19 percent of the amount allocated to the local
20 educational agency under this part.

21 “(E) A local educational agency may delay, for
22 a period not to exceed 1 year, implementation of cor-
23 rective action only if the school’s failure to make
24 adequate yearly progress was justified due to excep-
25 tional or uncontrollable circumstances, such as a

1 natural disaster or a precipitous and unforeseen de-
2 cline in the financial resources of the local edu-
3 cational agency or school.

4 “(F) The local educational agency shall publish
5 and disseminate information regarding any correc-
6 tive action the local educational agency takes under
7 this paragraph at a school—

8 “(i) to the public and to the parents of
9 each student enrolled in the school subject to
10 corrective action;

11 “(ii) in a format and, to the extent prac-
12 ticable, in a language that the parents can un-
13 derstand; and

14 “(iii) through such means as the Internet,
15 the media, and public agencies.

16 “(G)(i) Before identifying an elementary school
17 or a secondary school corrective action under this
18 paragraph, the local educational agency shall provide
19 the school with an opportunity to review the school
20 level data, including assessment data, on which the
21 proposed identification is based.

22 “(ii) If the principal of the school believes that
23 the proposed determination is in error for statistical
24 or other substantive reasons, the principal may pro-
25 vide supporting evidence to the local educational

1 agency, which shall consider such evidence before
2 making a final determination.

3 “(H) Not later than 30 days after a local edu-
4 cational agency makes an initial determination con-
5 cerning identifying a school served by the agency
6 and receiving assistance under this part, the local
7 educational agency shall make public a final deter-
8 mination on the status of the school.

9 “(11) STATE EDUCATIONAL AGENCY RESPON-
10 SIBILITIES.—If a State educational agency deter-
11 mines that a local educational agency failed to carry
12 out the agency’s responsibilities under this section,
13 or determines that, after 1 year of implementation
14 of corrective action, such action has not resulted in
15 sufficient progress in increased student performance,
16 the State educational agency shall take such action
17 as the agency finds necessary, including designating
18 a course of corrective action described in paragraph
19 (10)(D), consistent with this section, to improve the
20 affected schools and to ensure that the local edu-
21 cational agency carries out the local educational
22 agency’s responsibilities under this section.

23 “(12) SPECIAL RULES.—Schools that, for at
24 least 2 of the 3 years following identification under
25 paragraph (1), make adequate yearly progress to-

1 ward meeting the State’s proficient and advanced
 2 levels of performance on the State assessment de-
 3 scribed in section 1111(b)(4) shall no longer be iden-
 4 tified for school improvement.”.

5 (c) STATE REVIEW AND LOCAL EDUCATIONAL AGEN-
 6 CY IMPROVEMENT.—Section 1116(d) (20 U.S.C. 6317(d))
 7 is amended to read as follows:

8 “(d) STATE REVIEW AND LOCAL EDUCATIONAL
 9 AGENCY IMPROVEMENT.—

10 “(1) IN GENERAL.—A State educational agency
 11 shall annually review the progress of each local edu-
 12 cational agency within the State receiving funds
 13 under this part to determine whether schools served
 14 by such agencies and receiving assistance under this
 15 part are making adequate yearly progress, as de-
 16 fined under section 1111(b)(2), toward meeting the
 17 State’s student performance standards and to deter-
 18 mine whether each local educational agency is car-
 19 rying out its responsibilities under sections 1116 and
 20 1117.

21 “(2) IDENTIFICATION OF LOCAL EDUCATIONAL
 22 AGENCY FOR IMPROVEMENT.—A State educational
 23 agency shall identify for improvement any local edu-
 24 cational agency that—

1 “(A) for 2 consecutive years failed to make
2 adequate yearly progress as defined in the
3 State’s plan under section 1111(b)(2); or

4 “(B) was in improvement status under this
5 section on the day before the date of enactment
6 of the Public Education Reinvestment, Reinven-
7 tion, and Responsibility Act.

8 “(3) TRANSITION.—The 2-year period described
9 in paragraph (2)(A) shall include any continuous pe-
10 riod of time immediately before the date of enact-
11 ment of the Public Education Reinvestment, Re-
12 invention, and Responsibility Act during which a
13 local educational agency did not make adequate
14 yearly progress as defined in the State’s plan, as
15 such plan was in effect on the day before the date
16 of enactment of the Public Education Reinvestment,
17 Reinvention, and Responsibility Act.

18 “(4) TARGETED ASSISTANCE SCHOOLS.—To de-
19 termine if a local educational agency that serves ele-
20 mentary schools or secondary schools that are con-
21 ducting targeted assistance programs under section
22 1115 should be identified for improvement under
23 this subsection, a State educational agency may
24 choose to review the progress of only the students in

1 such schools who are served, or who are eligible for
2 services, under this part.

3 “(5) OPPORTUNITY TO REVIEW AND PRESENT
4 EVIDENCE.—(A) Before identifying a local edu-
5 cational agency for improvement under paragraph
6 (2), a State educational agency shall provide the
7 local educational agency with an opportunity to re-
8 view the local educational agency data, including as-
9 sessment data, on which the proposed identification
10 is based.

11 “(B) If the local educational agency believes
12 that the proposed identification is in error for statis-
13 tical or other substantive reasons, the local edu-
14 cational agency may provide supporting evidence to
15 the State educational agency, which shall consider
16 such evidence before making a final determination.

17 “(6) TIME LIMITS.—Not later than 45 days
18 after the State educational agency makes an initial
19 determination concerning identifying a local edu-
20 cational agency within the State and receiving as-
21 sistance under this part for improvement, the State
22 educational agency shall make public a final deter-
23 mination on the status of the local educational agen-
24 cy.

1 “(7) NOTIFICATION TO PARENTS.—The State
 2 educational agency shall promptly notify parents of
 3 each student enrolled in a school served by a local
 4 educational agency identified for improvement, in a
 5 format, and to the extent practicable, in a language
 6 the parents can understand, of—

7 “(A) the reasons for such identification;
 8 and

9 “(B) how the parents can participate in
 10 upgrading the quality of the local educational
 11 agency.

12 “(8) LOCAL EDUCATIONAL AGENCY PLAN.—(A)
 13 Each local educational agency identified under para-
 14 graph (2) shall, not later than 3 months after being
 15 so identified, develop or revise a local educational
 16 agency plan, in consultation with parents, teachers
 17 and other school staff, the local school board, and
 18 others, for approval by the State educational agency.
 19 Such plan shall—

20 “(i) incorporate scientifically based re-
 21 search strategies that strengthen the core aca-
 22 demic subjects in schools served by the local
 23 educational agency;

24 “(ii) identify specific annual numerical
 25 academic performance objectives in at least the

1 areas of mathematics and English language
2 arts that the local educational agency will meet,
3 with such objectives being calculated in a man-
4 ner so that their achievement will ensure that
5 each group of students enrolled in each school
6 served by the local educational agency will meet
7 the State's proficient level of performance on
8 the State assessment described in section
9 1111(b)(4) within 10 years after the date of en-
10 actment of the Public Education Reinvestment,
11 Reinvention, and Responsibility Act; and

12 “(iii) provide an assurance that the local
13 educational agency will—

14 “(I) reserve not less than 10 percent
15 of the funds made available to the local
16 educational agency under this part for
17 each fiscal year that the agency is in im-
18 provement status for the purpose of pro-
19 viding to teachers and principals at schools
20 served by the agency and receiving funds
21 under this part high quality professional
22 development that—

23 “(aa) directly addresses the aca-
24 demic performance problem that

1 caused the local educational agency to
2 be identified for improvement; and

3 “(bb) meets the requirements for
4 professional development activities
5 under section 1119A; and

6 “(II) specify how the funds described
7 in subclause (I) will be used to remove the
8 local educational agency from improvement
9 status;

10 “(iv) identify how the local educational
11 agency will provide written notification about
12 the identification to parents described in para-
13 graph (7) in a format and, to the extent prac-
14 ticable, in a language, that such parents can
15 understand, pursuant to paragraph (7);

16 “(v) specify the responsibilities of the local
17 educational agency and the State educational
18 agency under the plan; and

19 “(vi) include a review of the local edu-
20 cational agency budget to ensure that resources
21 are allocated for the activities that are most
22 likely to improve student performance and to
23 remove the agency from improvement status.

24 “(B) The local educational agency shall imple-
25 ment the local educational agency plan (including a

1 revised plan) expeditiously, but not later than the
2 beginning of the school year following the school
3 year in which the agency was identified for improve-
4 ment.

5 “(C) The State educational agency shall estab-
6 lish a peer review process to assist with review of the
7 local educational agency plan, promptly review the
8 plan, work with the local educational agency as nec-
9 essary, and approve the plan if the plan meets the
10 requirements of this paragraph.

11 “(D) If the local educational agency budget, in
12 allocating resources to activities, fails to allocate re-
13 sources as described in subparagraph (A)(vi), the
14 State educational agency may direct the local edu-
15 cational agency to reallocate resources to more effec-
16 tive activities.

17 “(9) STATE EDUCATIONAL AGENCY RESPONSI-
18 BILITY.—For each local educational agency identi-
19 fied under paragraph (2), the State educational
20 agency shall provide technical or other assistance, if
21 requested, as authorized under section 1117, to bet-
22 ter enable the local educational agency—

23 “(A) to develop and implement a local edu-
24 cational agency plan (including a revised plan)
25 that is approved by the State educational agen-

1 cy consistent with the requirements of this sec-
2 tion; and

3 “(B) to work with schools served by the
4 local educational agency that are identified for
5 school improvement.

6 “(10) TECHNICAL ASSISTANCE.—The technical
7 assistance provided by the State educational
8 agency—

9 “(A) shall include assistance in analyzing
10 data from the assessments required under sec-
11 tion 1111(b)(4) and other samples of student
12 work, to identify and address instructional
13 problems and solutions;

14 “(B) shall include assistance in identifying
15 and implementing instructional strategies and
16 methods that are tied to scientifically based re-
17 search and that have proven effective in ad-
18 dressing the specific instructional issues that
19 caused the local educational agency to be identi-
20 fied for improvement;

21 “(C) shall include assistance in analyzing
22 and revising the local educational agency’s
23 budget so that the agency’s resources are more
24 effectively allocated for the activities most likely

1 to increase student performance and to remove
2 the agency from improvement status; and

3 “(D) may be provided by—

4 “(i) the State educational agency; or

5 “(ii) with the local educational agen-
6 cy’s approval, by an institution of higher
7 education (in full compliance with all the
8 reporting provisions of title II of the High-
9 er Education Act of 1965), a private not-
10 for-profit organization or for-profit organi-
11 zation, an educational service agency, the
12 recipient of a Federal contract or coopera-
13 tive agreement as described under section
14 7104(a)(3), or another entity with experi-
15 ence in helping schools improve perform-
16 ance.

17 “(11) RESOURCES REALLOCATION.—The State
18 educational agency may, as a condition of providing
19 the local educational agency with technical assist-
20 ance and financial support in developing and car-
21 rying out a local educational agency plan, require
22 that the local educational agency reallocate resources
23 from ineffective or inefficient activities to activities
24 that, through scientifically based research, have been
25 proven to have the greatest impact on increasing

1 student performance and closing the achievement
2 gap between groups of students.

3 “(12) CORRECTIVE ACTION.—(A) In this para-
4 graph, the term ‘corrective action’ means action,
5 consistent with State law, that—

6 “(i) substantially and directly responds
7 to—

8 “(I) the consistent academic failure of
9 schools served by a local educational agen-
10 cy that caused the State educational agen-
11 cy to take such action with respect to the
12 local educational agency; and

13 “(II) any underlying staffing, cur-
14 riculum, or other problem in the schools
15 served by the local educational agency; and

16 “(ii) is designed to increase substantially
17 the likelihood that students enrolled in the
18 schools served by the local educational agency
19 identified for corrective action will perform at
20 the State’s proficient and advanced levels of
21 performance on the State assessment described
22 in section 1111(b)(4).

23 “(B) In order to help students served under
24 this part meet challenging State standards, each
25 State educational agency shall implement a system

1 of corrective action in accordance with subpara-
 2 graphs (C) through (H).

3 “(C) After providing technical assistance, if re-
 4 quested, under paragraphs (9) and (10), and subject
 5 to subparagraph (E), the State educational agency—

6 “(i) shall identify for corrective action and
 7 take corrective action with respect to any local
 8 educational agency that fails to make adequate
 9 yearly progress, as defined by the State under
 10 section 1111(b)(2), at the end of the second
 11 year after the school year in which the local
 12 educational agency was identified under para-
 13 graph (2); and

14 “(ii) shall continue to provide technical as-
 15 sistance while instituting any corrective action
 16 under clause (i).

17 “(D) In the case of a local educational agency
 18 described in subparagraph (C)(ii), the State edu-
 19 cational agency shall take corrective action by—

20 “(i)(I) withholding funds from the local
 21 educational agency;

22 “(II) reconstituting the relevant local edu-
 23 cational agency personnel;

24 “(III) removing particular schools from the
 25 jurisdiction of the local educational agency, and

1 establishing alternative arrangements for public
2 governance and supervision of such schools;

3 “(IV) appointing a receiver or trustee to
4 administer the affairs of the local educational
5 agency in place of the local educational agency’s
6 superintendent and school board; or

7 “(V) abolishing or restructuring the local
8 educational agency; and

9 “(ii)(I) authorizing students to transfer
10 (consistent with the requirements of section
11 1116(c)(7)) from schools served by the local
12 educational agency to higher performing public
13 schools, including public charter and magnet
14 schools, served by another local educational
15 agency; and

16 “(II) providing to such students transpor-
17 tation services, or paying for the cost of trans-
18 portation, to such higher performing schools
19 (except that the funds used by the local edu-
20 cational agency to provide the transportation
21 services or pay for the cost of transportation
22 shall not exceed 10 percent of the amount allo-
23 cated to the local educational agency under this
24 part.

1 “(E) The State educational agency may delay,
2 for a period not to exceed 1 year, implementation of
3 corrective action only if the local educational agen-
4 cy’s failure to make adequate yearly progress was
5 justified due to exceptional or uncontrollable cir-
6 cumstances, such as a natural disaster or a precipi-
7 tous and unforeseen decline in the financial re-
8 sources of the local educational agency or schools
9 served by the local educational agency.

10 “(F) The State educational agency shall publish
11 and disseminate information regarding any correc-
12 tive action the State educational agency takes under
13 this paragraph—

14 “(i) to the public and to the parents de-
15 scribed in paragraph (7) and the public;

16 “(ii) in a format and, to the extent prac-
17 ticable, in a language that the parents can un-
18 derstand; and

19 “(iii) through such means as the Internet,
20 the media, and public agencies.

21 “(G) Prior to determining whether to take a
22 corrective action with respect to a local educational
23 agency under this paragraph, the State educational
24 agency shall provide the local educational agency

1 with notice and a opportunity for a hearing, if State
 2 law provides for such notice and opportunity.

3 “(H) Not later than 45 days after the State
 4 educational agency makes an initial determination
 5 regarding taking a corrective action concerning a
 6 local educational agency in the State and receiving
 7 assistance under this part, the State educational
 8 agency shall make public a final determination on
 9 the status of the local educational agency.”.

10 (d) DEFINITION.—Section 1116 (20 U.S.C. 6317) is
 11 amended by adding at the end the following:

12 “(f) DEFINITION.—In this section, the term ‘charter
 13 school’ has the meaning given the term in section 4210.”.

14 **SEC. 116. STATE ASSISTANCE FOR SCHOOL SUPPORT AND**
 15 **IMPROVEMENT.**

16 Section 1117 (20 U.S.C. 6318) is amended to read
 17 as follows:

18 **“SEC. 1117. STATE ASSISTANCE FOR SCHOOL SUPPORT AND**
 19 **IMPROVEMENT.**

20 “(a) SYSTEM FOR SUPPORT.—Using funds described
 21 in subsection (e), each State educational agency shall es-
 22 tablish a statewide system of intensive and sustained sup-
 23 port and improvement for local educational agencies, ele-
 24 mentary schools, and secondary schools receiving funds
 25 under this part, in order to ensure that all groups of stu-

1 dents specified in section 1111(b)(2)(B)(iv) and attending
 2 such schools meet the State’s proficient level of perform-
 3 ance on the State assessments described in section
 4 1111(b)(4) within 10 years after the date of enactment
 5 of the Public Education Reinvestment, Reinvention, and
 6 Responsibility Act.

7 “(b) PRIORITIES.—In carrying out this section dur-
 8 ing an academic year, a State educational agency shall—

9 “(1) first, provide support and technical assist-
 10 ance to local educational agencies identified for cor-
 11 rective action under section 1116, and assist elemen-
 12 tary schools and secondary schools, in accordance
 13 with section 1116(c)(11), for which a local edu-
 14 cational agency has failed to carry out the agency’s
 15 responsibilities under paragraphs (9) and (10) of
 16 section 1116(c);

17 “(2) second, provide support and technical as-
 18 sistance to local educational agencies and schools
 19 identified for improvement under section 1116; and

20 “(3) third, provide support and technical assist-
 21 ance to local educational agencies and schools par-
 22 ticipating under this part that are at risk of being
 23 identified for improvement during the subsequent
 24 academic year.

1 “(c) APPROACHES.—In order to achieve the objective
2 described in subsection (a), the State educational agency
3 shall ensure that the statewide system will provide support
4 and technical assistance through approaches such as—

5 “(1) using school support teams, composed of
6 individuals who are knowledgeable about scientif-
7 ically based research, about teaching and learning
8 practices, and particularly about strategies for im-
9 proving educational results for low-performing stu-
10 dents; and

11 “(2) designating and using distinguished edu-
12 cators, who are chosen from schools served under
13 this part that have been especially successful in im-
14 proving academic performance.

15 “(d) ALTERNATIVES.—The State educational agency
16 may—

17 “(1) devise additional approaches to providing
18 the support and technical assistance described in
19 subsection (c), such as providing assistance through
20 institutions of higher education, educational service
21 agencies, or other local consortia; and

22 “(2) seek approval from the Secretary to use
23 funds under section 1003(b) for such approaches as
24 part of the State plan.

25 “(e) FUNDS.—The State educational agency—

1 “(1) shall use funds reserved under section
2 1003(a), but not used under section 1003(b), to
3 carry out this section; and

4 “(2) may use State administrative funds au-
5 thorized under section 1703(c) to carry out this sec-
6 tion.”.

7 **SEC. 117. PARENTAL INVOLVEMENT.**

8 (a) LOCAL EDUCATIONAL AGENCY POLICY.—Section
9 1118(a) (20 U.S.C. 6319(a)) is amended—

10 (1) in paragraph (1), by striking “programs,
11 activities, and procedures” and inserting “activities
12 and procedures”;

13 (2) in paragraph (2), by striking subparagraphs
14 (E) and (F) and inserting the following:

15 “(E) conduct, with the involvement of par-
16 ents, an annual evaluation of the content of the
17 parental involvement policy developed under
18 such section and the effectiveness of the policy
19 in improving the academic quality of the schools
20 served under this part;

21 “(F) involve parents in the activities of the
22 schools served under this part; and

23 “(G) promote consumer friendly environ-
24 ments within the local educational agency and
25 schools served under this part.”; and

1 (3) in paragraph (3), by adding at the end the
2 following new subparagraph:

3 “(C) Not less than 90 percent of the funds re-
4 served under subparagraph (A) shall be distributed
5 to schools served under this part.”.

6 (b) NOTICE.—Section 1118(b)(1) (20 U.S.C.
7 6319(b)(1)) is amended by inserting after the first sen-
8 tence the following: “Parents shall be notified of the policy
9 in a format and, to the extent practicable, in a language,
10 that the parents can understand.”.

11 (c) PARENTAL INVOLVEMENT.—Section 1118(c)(4)
12 (20 U.S.C. 6319(c)(4)) is amended—

13 (1) in subparagraph (B), by striking “school
14 performance profiles required under section
15 1116(a)(3)” and inserting “school reports described
16 in section 4401”;

17 (2) by redesignating subparagraphs (D) and
18 (E) as subparagraphs (F) and (G), respectively;

19 (3) by inserting after subparagraph (C) the fol-
20 lowing:

21 “(D) notice of the school’s identification
22 for school improvement under section 1116(c),
23 if applicable, and a clear explanation of what
24 such identification means;

1 “(E) notice of corrective action taken
2 against the school under section 1116(c)(10) or
3 the local educational agency involved under sec-
4 tion 1116(d)(12), if applicable, and a clear ex-
5 planation of what such action means;” and

6 (4) in subparagraph (G) (as redesignated by
7 paragraph (2)), by striking “subparagraph (D)” and
8 inserting “subparagraph (F)”.

9 (d) BUILDING CAPACITY FOR INVOLVEMENT.—Sec-
10 tion 1118(e) (20 U.S.C 6319(e)) is amended—

11 (1) in paragraph (1), by striking “National
12 Educational Goals,”;

13 (2) by redesignating paragraphs (14) and (15)
14 as paragraphs (16) and (17), respectively;

15 (3) by inserting after paragraph (13) the fol-
16 lowing:

17 “(14) may establish a parent advisory council
18 to advise on all matters related to parental involve-
19 ment in programs supported under this part;”;

20 (4) by redesignating paragraph (5) as para-
21 graph (15) and inserting such paragraph after para-
22 graph (14) (as inserted by paragraph (3));

23 (5) by inserting after paragraph (4) the fol-
24 lowing:

1 “(5) shall expand the use of electronic commu-
 2 nication among teachers, students, and parents,
 3 such as communication through the use of websites
 4 and e-mail communication;”;

5 (6) in paragraph (7), by inserting “, to the ex-
 6 tent practicable, in a language and format the par-
 7 ent can understand” before the semicolon; and

8 (7) in paragraph (15) (as redesignated by para-
 9 graph (4)), by striking “shall” and inserting “may”.

10 (e) ACCESSIBILITY.—Section 1118(f) (20 U.S.C.
 11 6319(f)) is amended by striking “, including” and all that
 12 follows and inserting “and of parents of migratory chil-
 13 dren, including providing information required under sec-
 14 tion 1111 and school reports described in section 4401
 15 in a language and format such parents can understand.”.

16 **SEC. 118. QUALIFICATIONS FOR TEACHERS AND PARA-**
 17 **PROFESSIONALS.**

18 Title I (20 U.S.C. 6301 et seq.) is amended—

19 (1) by redesignating section 1119 (20 U.S.C.
 20 6320) as section 1119A; and

21 (2) by inserting after section 1118 the fol-
 22 lowing:

23 **“SEC. 1119. QUALIFICATIONS FOR TEACHERS AND PARA-**
 24 **PROFESSIONALS.**

25 “(a) IN GENERAL.—

1 “(1) PLAN.—Each State educational agency re-
 2 ceiving assistance under this part shall develop and
 3 submit to the Secretary a plan to ensure that all
 4 teachers teaching within the State are fully qualified
 5 not later than December 31, 2006. Such plan shall
 6 include an assurance that the State educational
 7 agency will require each local educational agency or
 8 school receiving funds under this part publicly to re-
 9 port on annual progress with respect to the local
 10 educational agency’s or school’s performance in in-
 11 creasing the percentage of classes in core academic
 12 subjects (as defined in section 2002) taught by fully
 13 qualified teachers.

14 “(2) SPECIAL RULE.—Notwithstanding any
 15 other provision of law, the provisions of this section
 16 governing teacher qualifications shall not supersede
 17 State laws governing public charter schools (as de-
 18 fined in section 4210).

19 “(b) NEW PARAPROFESSIONALS.—Each local edu-
 20 cational agency receiving assistance under this part shall
 21 ensure that each paraprofessional hired after December
 22 31, 2004, and working in a program assisted under this
 23 part—

24 “(1) has completed at least the number of
 25 courses at an institution of higher education in the

1 area of elementary education, or in the academic
 2 subject in which the paraprofessional is working, for
 3 a minor in elementary education or that subject at
 4 such institution;

5 “(2) has obtained an associate’s (or higher) de-
 6 gree; or

7 “(3) has met a rigorous standard of quality,
 8 through formal State certification (as described in
 9 subsection (h)), that demonstrates, as appropriate—

10 “(A) knowledge of, and the ability to pro-
 11 vide tutorial assistance in, reading, writing, and
 12 mathematics; or

13 “(B) knowledge of, and the ability to pro-
 14 vide tutorial assistance in, reading readiness,
 15 writing readiness, and mathematics readiness.

16 “(c) EXISTING PARAPROFESSIONALS.—Each local
 17 educational agency receiving assistance under this part
 18 shall ensure that, not later than 4 years after the date
 19 of enactment of the Public Education Reinvestment, Re-
 20 invention, and Responsibility Act, each paraprofessional
 21 working in a program assisted under this part shall have
 22 satisfied the requirements of subsection (b).

23 “(d) EXCEPTIONS FOR TRANSLATION AND PAREN-
 24 TAL INVOLVEMENT ACTIVITIES.—Subsections (b) and (c)
 25 shall not apply to a paraprofessional—

1 “(1) who is proficient in English and a lan-
2 guage other than English, and who provides services
3 primarily to enhance the participation of students in
4 programs under this part by acting as a translator;
5 or

6 “(2) whose duties consist solely of conducting
7 parental involvement activities consistent with sec-
8 tion 1118 or other school readiness activities that
9 are noninstructional.

10 “(e) GENERAL REQUIREMENT FOR ALL PARA-
11 PROFESSIONALS.—Each local educational agency receiving
12 assistance under this part shall ensure that each para-
13 professional working in a program assisted under this
14 part, regardless of the paraprofessional’s hiring date, has
15 obtained a secondary school diploma or its recognized
16 equivalent.

17 “(f) DUTIES OF PARAPROFESSIONALS.—

18 “(1) IN GENERAL.—Each local educational
19 agency receiving assistance under this part shall en-
20 sure that a paraprofessional working in a program
21 assisted under this part is not assigned a duty in-
22 consistent with this subsection.

23 “(2) AUTHORIZED RESPONSIBILITIES.—A para-
24 professional described in paragraph (1) may be
25 assigned—

1 “(A) to provide 1-on-1 tutoring for eligible
 2 students under this part, if the tutoring is
 3 scheduled at a time when the student would not
 4 otherwise receive instruction from a teacher;

5 “(B) to assist with classroom management,
 6 such as organizing instructional and other ma-
 7 terials;

8 “(C) to provide assistance in a computer
 9 laboratory;

10 “(D) to conduct parental involvement ac-
 11 tivities or school readiness activities that are
 12 noninstructional;

13 “(E) to provide support in a library or
 14 media center;

15 “(F) to act as a translator; or

16 “(G) to provide assistance with the provi-
 17 sion of instructional services to students.

18 “(3) LIMITATIONS.—A paraprofessional de-
 19 scribed in paragraph (1)—

20 “(A) shall not perform the duties of a cer-
 21 tified or licensed teacher or a substitute;

22 “(B) shall not perform any duty assigned
 23 under paragraph (2) except under the direct su-
 24 pervision of a fully qualified teacher or other
 25 appropriate professional; and

1 “(C) may not provide assistance with the
2 provision of instructional services to students in
3 the area of reading, writing, or mathematics
4 unless the paraprofessional has demonstrated,
5 through State certification as described in sub-
6 section (b)(3), the ability to effectively provide
7 the assistance.

8 “(g) USES OF FUNDS.—Notwithstanding subsection
9 (h)(2), a local educational agency receiving funds under
10 this part may use such funds to support ongoing training
11 and professional development to assist teachers and para-
12 professionals in satisfying the requirements of this section.

13 “(h) STATE CERTIFICATION.—Each State edu-
14 cational agency receiving assistance under this part
15 shall—

16 “(1) ensure that the State educational agency
17 has in place State criteria for the certification of
18 paraprofessionals by December 31, 2003; and

19 “(2) ensure that paraprofessionals hired before
20 December 31, 2004 who do not meet the require-
21 ments of subsection (b) are in high-quality profes-
22 sional development activities that are aimed at as-
23 sisting paraprofessionals in meeting the require-
24 ments of subsection (b) and that ensure that a para-

1 professional has the ability to carry out the duties
2 described in subsection (f).

3 “(i) VERIFICATION OF COMPLIANCE.—

4 “(1) IN GENERAL.—In verifying compliance
5 with this section, each local educational agency, at
6 a minimum, shall require that each principal of an
7 elementary school or secondary school operating a
8 program under section 1114 or 1115 annually attest
9 in writing as to whether the school is in compliance
10 with the requirements of this section.

11 “(2) AVAILABILITY OF INFORMATION.—Copies
12 of the annual attestation described in paragraph
13 (1)—

14 “(A) shall be maintained at each elemen-
15 tary school and secondary school operating a
16 program under section 1114 or 1115 and at the
17 main office of the local educational agency; and

18 “(B) shall be available to any member of
19 the general public on request.”.

20 **SEC. 119. PROFESSIONAL DEVELOPMENT.**

21 Section 1119A (as redesignated by section 118(1))
22 is amended—

23 (1) by striking subsection (a) and inserting the
24 following:

1 “(a) PURPOSE.—The purpose of this section is to as-
2 sist each local educational agency receiving assistance
3 under this part in increasing the academic achievement
4 of eligible children (as identified under section
5 1115(b)(1)(B)) (referred to in this section as ‘eligible chil-
6 dren’) through improved teacher quality.”;

7 (2) in subsection (b)—

8 (A) by amending paragraph (1) to read as
9 follows:

10 “(1) REQUIRED ACTIVITIES.—Each local edu-
11 cational agency receiving assistance under this part
12 shall provide professional development activities
13 under this section that shall—

14 “(A) give teachers, principals, and admin-
15 istrators the knowledge and skills to provide eli-
16 gible children with the opportunity to meet
17 challenging State or local content standards
18 and student performance standards;

19 “(B) support the recruiting, hiring, and
20 training of fully qualified teachers;

21 “(C) advance teacher understanding of ef-
22 fective instructional strategies, based on sci-
23 entifically based research, for improving eligible
24 children achievement in, at a minimum, English
25 language arts, mathematics, and science;

1 “(D) be directly related to the curricula
2 and academic subjects that a teacher teaches;

3 “(E) be designed to enhance the ability of
4 a teacher to understand and use the State’s
5 standards for the academic subject that the
6 teacher teaches;

7 “(F) be tied to scientifically based research
8 that demonstrates the effectiveness of such pro-
9 fessional development activities in increasing
10 the achievement of eligible children or substan-
11 tially increasing the subject matter knowledge,
12 teaching knowledge, and teaching skills of
13 teachers;

14 “(G) be of sufficient intensity and duration
15 (not to include such activities as 1-day or short-
16 term workshops and conferences) to have a
17 positive and lasting impact on teachers’ per-
18 formance in the classroom, except that this sub-
19 paragraph shall not apply to an activity if such
20 activity is 1 component described in a long-term
21 comprehensive professional development plan—

22 “(i) established by the teacher and the
23 teacher’s supervisor; and

24 “(ii) based on an assessment of the
25 needs of the teacher, the teacher’s students

1 who are eligible children, and the local
2 educational agency involved;

3 “(H) be developed with extensive participa-
4 tion of teachers, principals, parents, administra-
5 tors, and local school boards of schools to be
6 served under this part;

7 “(I) to the extent appropriate, provide
8 training for teachers regarding using technology
9 and applying technology effectively in the class-
10 room, to improve teaching and learning con-
11 cerning the curricula and academic subjects
12 that the teachers teach;

13 “(J) as a whole, be regularly evaluated for
14 such activities’ impact on increased teacher ef-
15 fectiveness and improved student achievement,
16 with the findings of such evaluations used to
17 improve the quality of professional development;
18 and

19 “(K) include strategies for identifying and
20 eliminating gender and racial bias in instruc-
21 tional materials, methods, and practices.”; and

22 (B) in paragraph (2)—

23 (i) in subparagraph (A), by inserting
24 “and data to provide information and in-

1 instruction for classroom practice” before
2 the semicolon;

3 (ii) by striking subparagraphs (D)
4 and (G);

5 (iii) by redesignating subparagraphs
6 (E), (F), (H), and (I), as subparagraphs
7 (D), (E), (F) and (G), respectively;

8 (iv) in subparagraph (F) (as redesign-
9 nated by clause (iii)), by striking “and”
10 after the semicolon;

11 (v) in subparagraph (G) (as redesign-
12 nated by clause (iii)), by striking the pe-
13 riod and inserting a semicolon; and

14 (vi) by adding at the end (as redesign-
15 nated by clause (iii)) the following new
16 subparagraph:

17 “(H) instruction in the ways that teachers,
18 principals, and guidance counselors can work
19 with students (and the parents of the students)
20 from groups, such as females and minorities,
21 that are underrepresented in careers in mathe-
22 matics, science, engineering, and technology, to
23 encourage and maintain the interest of such
24 students in those careers; and

1 “(I) programs that are designed to assist
 2 new teachers during their first 3 years of teach-
 3 ing, such as mentoring programs that—

4 “(i) provide mentoring to new teach-
 5 ers from veteran teachers with expertise in
 6 the same academic subject as the new
 7 teachers are teaching;

8 “(ii) provide mentors time for activi-
 9 ties such as coaching, observing, and as-
 10 sisting teachers who are being mentored;
 11 and

12 “(iii) use standards or assessments
 13 that are consistent with the State’s student
 14 performance standards and the require-
 15 ments for professional development activi-
 16 ties described in section 2109 in order to
 17 guide the new teachers.”;

18 (3) by striking subsections (f) through (i); and

19 (4) by adding after subsection (e) the following:

20 “(f) CONSOLIDATION OF FUNDS.—Funds provided
 21 under this part that are used for professional development
 22 purposes may be consolidated with funds provided under
 23 title II and other sources.”.

1 **SEC. 120. FISCAL REQUIREMENTS.**

2 Section 1120A(a) (20 U.S.C. 6322(a)) is amended by
3 striking “section 14501” and inserting “section 8501”.

4 **SEC. 121. COORDINATION REQUIREMENTS.**

5 Section 1120B (20 U.S.C. 6323) is amended—

6 (1) in subsection (a), by striking “to the extent
7 feasible” and all that follows through the period and
8 inserting “in coordination with local Head Start
9 agencies and, if feasible, entities carrying out other
10 early childhood development programs.”; and

11 (2) in subsection (b)—

12 (A) in paragraph (3), by striking “and”
13 after the semicolon;

14 (B) in paragraph (4), by striking the pe-
15 riod and inserting “; and”; and

16 (C) by adding at the end, the following:

17 “(5) linking the educational services provided
18 by such local educational agency with the services
19 provided by local Head Start agencies.”.

20 **SEC. 122. LIMITATIONS ON FUNDS.**

21 Subpart 1 of part A of title I (20 U.S.C. 6311 et
22 seq.) is amended by inserting after section 1120B (20
23 U.S.C. 6323) the following:

24 **“SEC. 1120C. LIMITATIONS ON FUNDS.**

25 “(a) IN GENERAL.—Notwithstanding any other pro-
26 vision of this Act, a local educational agency shall use

1 funds received under this part only to provide academic
 2 instruction and services directly related to the instruction
 3 to students in preschool through grade 12 to assist eligible
 4 children to improve their academic achievement and to
 5 meet achievement standards established by the State.

6 “(b) PERMISSIBLE AND PROHIBITED ACTIVITIES.—

7 In this subpart, the term ‘academic instruction’—

8 “(1) includes—

9 “(A) the employment of teachers and other
 10 instructional personnel, including providing
 11 teachers and instructional personnel with em-
 12 ployee benefits;

13 “(B) the extension of instruction described
 14 in this subsection beyond the normal school day
 15 and year, including during summer school;

16 “(C) the provision of instructional services
 17 to pre-kindergarten children to prepare such
 18 children for the transition to kindergarten;

19 “(D) the purchase of instructional re-
 20 sources, such as books, materials, computers,
 21 other instructional equipment, and wiring to
 22 support instructional equipment;

23 “(E) the development and administration
 24 of curricula, educational materials, and assess-
 25 ments;

1 “(F) the implementation of—

2 “(i) instructional interventions in
3 schools in need of improvement; and

4 “(ii) corrective actions to improve stu-
5 dent achievement; and

6 “(G) the transportation of students to as-
7 sist the students in improving academic achieve-
8 ment, except that not more than 10 percent of
9 the funds made available under this part to a
10 local educational agency shall be used to carry
11 out this subparagraph; and

12 “(2) does not include—

13 “(A) the purchase or provision of janitorial
14 services or the payment of utility costs;

15 “(B) the construction or operation of fa-
16 cilities;

17 “(C) the acquisition of real property;

18 “(D) the payment of costs for food and re-
19 freshments; or

20 “(E) the purchase or lease of vehicles.”.

21 **SEC. 123. GRANTS FOR THE OUTLYING AREAS AND THE**
22 **SECRETARY OF THE INTERIOR.**

23 Section 1121 (20 U.S.C. 6331) is amended to read
24 as follows:

1 **“SEC. 1121. GRANTS FOR THE OUTLYING AREAS AND THE**
2 **SECRETARY OF THE INTERIOR.**

3 “(a) RESERVATION OF FUNDS.—From the amount
4 appropriated for payments to States for any fiscal year
5 under section 1002(a), the Secretary shall reserve a total
6 of 1 percent to provide assistance to—

7 “(1) the outlying areas on the basis of their re-
8 spective need for such assistance according to such
9 criteria as the Secretary determines will best carry
10 out the purpose of this part; and

11 “(2) the Secretary of the Interior in the amount
12 necessary to make payments pursuant to subsection
13 (c).

14 “(b) ASSISTANCE TO THE OUTLYING AREAS.—

15 “(1) IN GENERAL.—From amounts made avail-
16 able under subsection (a) in each fiscal year, the
17 Secretary shall make grants to local educational
18 agencies in the outlying areas (other than the out-
19 lying areas assisted under paragraph (2)).

20 “(2) COMPETITIVE GRANTS.—(A) For each fis-
21 cal year through 2001, the Secretary shall reserve
22 \$5,000,000 from the amounts made available under
23 subsection (a) to award grants on a competitive
24 basis, to local educational agencies in the Federated
25 States of Micronesia, the Republic of the Marshall
26 Islands, and the Republic of Palau. The Secretary

1 shall award such grants according to the rec-
2 ommendations of the Pacific Region Educational
3 Laboratory which shall conduct a competition for
4 such grants.

5 “(B) Except as provided in subparagraph (D),
6 grant funds awarded under this part only may be
7 used for programs described in this Act, including
8 teacher training, curriculum development, instruc-
9 tional materials, or general school improvement and
10 reform.

11 “(C) Grant funds awarded under this para-
12 graph may only be used to provide direct educational
13 services.

14 “(D) The Secretary may provide 5 percent of
15 the amount made available for grants under this
16 paragraph to pay the administrative costs of the Pa-
17 cific Region Educational Laboratory regarding ac-
18 tivities assisted under this paragraph.

19 “(c) ALLOTMENT TO THE SECRETARY OF THE INTE-
20 RIOR.—

21 “(1) IN GENERAL.—The amount allotted for
22 payments to the Secretary of the Interior under sub-
23 section (a)(2) for any fiscal year shall be, as deter-
24 mined pursuant to criteria established by the Sec-

1 retary, the amount necessary to meet the special
2 educational needs of—

3 “(A) Indian children on reservations served
4 by elementary schools and secondary schools for
5 Indian children operated or supported by the
6 Department of the Interior; and

7 “(B) out-of-State Indian children in ele-
8 mentary schools and secondary schools in local
9 educational agencies under special contracts
10 with the Department of the Interior.

11 “(2) PAYMENTS.—From the amount allotted
12 for payments to the Secretary of the Interior under
13 subsection (a)(2), the Secretary of the Interior shall
14 make payments to local educational agencies, upon
15 such terms as the Secretary determines will best
16 carry out the purposes of this part, with respect to
17 out-of-State Indian children described in paragraph
18 (1). The amount of such payment may not exceed,
19 for each such child, the greater of—

20 “(A) 40 percent of the average per pupil
21 expenditure in the State in which the agency is
22 located; or

23 “(B) 48 percent of such expenditure in the
24 United States.”.

1 **SEC. 124. AMOUNTS FOR GRANTS.**

2 Section 1122 (20 U.S.C. 6332) is amended to read
3 as follows:

4 **“SEC. 1122. AMOUNTS FOR BASIC GRANTS, CONCENTRA-**
5 **TION GRANTS, AND TARGETED GRANTS.**

6 “(a) IN GENERAL.—For fiscal years 2002 through
7 2006, an amount of the appropriations for this part equal
8 to the appropriation for fiscal year 2001 for section 1124
9 shall be allocated in accordance with section 1124, and
10 an amount equal to the appropriation for fiscal year 2001
11 for section 1124A shall be allocated in accordance with
12 section 1124A. Any additional appropriations under sec-
13 tion 1002(a) for any fiscal year, after application of the
14 preceding sentence, shall be allocated in accordance with
15 section 1125.

16 “(b) ADJUSTMENTS WHERE NECESSITATED BY AP-
17 PROPRIATIONS.—

18 “(1) IN GENERAL.—If the sums available under
19 this part for any fiscal year are insufficient to pay
20 the full amounts that all local educational agencies
21 in States are eligible to receive under sections 1124,
22 1124A, and 1125 for such year, the Secretary shall
23 ratably reduce the allocations to such local edu-
24 cational agencies, subject to subsections (c) and (d).

25 “(2) ADDITIONAL FUNDS.—If additional funds
26 become available for making payments under sec-

1 tions 1124, 1124A, and 1125 for such fiscal year,
2 allocations that were reduced under paragraph (1)
3 shall be increased on the same basis as they were re-
4 duced.

5 “(c) HOLD-HARMLESS AMOUNTS.—

6 “(1) IN GENERAL.—For each fiscal year, except
7 as provided in paragraph (2) and subsection (d), the
8 amount made available to each local educational
9 agency under each of sections 1124 and 1125 shall
10 be not less than 95 percent of the previous year’s
11 amount if the number of children counted for grants
12 under section 1124 is at least 30 percent of the total
13 number of children aged 5 to 17 years, inclusive, in
14 the local educational agency, 90 percent of the pre-
15 vious year amount if this percentage is between 15
16 percent and 30 percent, and 85 percent if this per-
17 centage is below 15 percent.

18 “(2) SUFFICIENT FUNDS.—If sufficient funds
19 are appropriated, the hold-homeless amounts de-
20 scribed in paragraph (1) shall be paid to all local
21 educational agencies that received grants under sec-
22 tion 1124, 1124A, or 1125 for the preceding fiscal
23 year, regardless of whether the local educational
24 agency currently meets the minimum eligibility cri-
25 teria provided in section 1124(b), 1124A(a)(1)(A),

1 or 1125(a), respectively, except that a local edu-
2 cational agency which does not meet such minimum
3 eligibility criteria for 5 consecutive years shall no
4 longer be eligible to receive a hold-harmless amount.

5 “(3) CALCULATION.—In any fiscal year for
6 which the Secretary calculates grants on the basis of
7 population data for counties, the Secretary shall
8 apply the hold-harmless percentages in paragraph
9 (1) to counties, and, if the Secretary’s allocation for
10 a county is not sufficient to meet the hold-harmless
11 requirements of this subsection for every local edu-
12 cational agency within that county, then the State
13 educational agency shall reallocate funds proportion-
14 ately from all other local educational agencies in the
15 State that are receiving funds in excess of the hold-
16 harmless amounts specified in this subsection.

17 “(d) RATABLE REDUCTIONS.—

18 “(1) IN GENERAL.—If the sums made available
19 under this part for any fiscal year are insufficient to
20 pay the full amounts that all States are eligible to
21 receive under subsection (c) for such year, the Sec-
22 retary shall ratably reduce such amounts for such
23 year.

24 “(2) ADDITIONAL FUNDS.—If additional funds
25 become available for making payments under sub-

1 section (c) for such fiscal year, amounts that were
 2 reduced under paragraph (1) shall be increased on
 3 the same basis as such amounts reduced.

4 “(e) DEFINITION.—For the purpose of this section
 5 and sections 1124, 1124A, and 1125, the term ‘State’
 6 means each of the 50 States, the District of Columbia,
 7 and the Commonwealth of Puerto Rico.”.

8 **SEC. 125. BASIC GRANTS TO LOCAL EDUCATIONAL AGEN-**
 9 **CIES.**

10 (a) FINDINGS.—Congress finds that—

11 (1) according to the Department of Education,
 12 58 percent of all elementary schools and secondary
 13 schools receive at least some funds under title I of
 14 the Elementary and Secondary Education Act of
 15 1965 (referred to in this section as “title I funds”);

16 (2) of the elementary schools and secondary
 17 schools that receive no title I funds at all, a dis-
 18 turbing number have high concentrations of poor
 19 students;

20 (3) 1 out of every 5 elementary schools and sec-
 21 ondary schools with poverty rates between 50 per-
 22 cent and 75 percent do not get any title I funds;

23 (4) a school district qualifies for funding
 24 through basic grants made under such title I if at
 25 least 2 percent of the students in the school district

1 are from families with incomes below the poverty
2 line;

3 (5) 9 out of every 10 school districts receive
4 some title I funds; and

5 (6) Congress has never appropriated funding to
6 provide targeted grants under such title I.

7 (b) SENSE OF CONGRESS.—It is the sense of Con-
8 gress that—

9 (1) title I funds are distributed so broadly that
10 many of the Nation’s elementary schools and sec-
11 ondary schools with high poverty rates are not re-
12 ceiving on title I funds;

13 (2) the Federal Government is not living up to
14 the original intent of the Elementary and Secondary
15 Education Act of 1965, which was to focus Federal
16 funding to ensure that poor students have equal ac-
17 cess to a quality education;

18 (3) it is the role of the Federal Government to
19 provide targeted funding for school districts in which
20 the Nation’s poorest students live, while holding
21 States and localities accountable for raising the aca-
22 demic performance of all students in the United
23 States to a higher level; and

24 (4) the Federal Government must take a firm
25 stand to better focus Federal funds on the Nation’s

1 poorest school districts through a new formula for
 2 the title I funds that will ensure that the funds are
 3 targeted so that elementary schools and secondary
 4 schools in high-poverty urban and rural areas get
 5 the Federal resources for education that the schools
 6 need and deserve.

7 (c) GENERAL AUTHORITY.—Section 1124 (20 U.S.C.
 8 6333) is amended to read as follows:

9 **“SEC. 1124. BASIC GRANTS TO LOCAL EDUCATIONAL AGEN-**
 10 **CIES.**

11 “(a) AMOUNT OF GRANTS.—

12 “(1) GRANTS FOR LOCAL EDUCATIONAL AGEN-
 13 CIES AND PUERTO RICO.—Except as provided in
 14 paragraph (4) and in section 1126, the grant that
 15 a local educational agency is eligible to receive under
 16 this section for a fiscal year is the amount deter-
 17 mined by multiplying—

18 “(A) the number of children counted under
 19 subsection (c); and

20 “(B) 40 percent of the average per-pupil
 21 expenditure in the State, except that the
 22 amount determined under this subparagraph
 23 shall not be less than 32 percent, and not more
 24 than 48 percent, of the average per-pupil ex-
 25 penditure in the United States.

1 “(2) CALCULATION OF GRANTS.—(A) The Sec-
 2 retary shall calculate grants under this section on
 3 the basis of the number of children counted under
 4 subsection (c) for local educational agencies, unless
 5 the Secretary and the Secretary of Commerce deter-
 6 mine that some or all of those data are unreliable
 7 or that their use would be otherwise inappropriate,
 8 in which case—

9 “(i) the 2 Secretaries shall publicly disclose
 10 the reasons for their determination in detail;
 11 and

12 “(ii) paragraph (3) shall apply.

13 “(B)(i) For any fiscal year to which this para-
 14 graph applies, the Secretary shall calculate grants
 15 under this section for each local educational agency.

16 “(ii) The amount of a grant under this section
 17 for each large local educational agency shall be the
 18 amount determined under clause (i).

19 “(iii) For small local educational agencies, the
 20 State educational agency may either—

21 “(I) distribute grants under this section in
 22 amounts determined by the Secretary under
 23 clause (i); or

24 “(II) use an alternative method, developed
 25 in accordance with clause (iv), approved by the

1 Secretary to distribute the portion of the
 2 State's total grants under this section that is
 3 based on those small agencies.

4 “(iv) An alternative method under clause
 5 (iii)(II) shall be based on population data that the
 6 State educational agency determines best reflect the
 7 current distribution of children in poor families
 8 among the State's small local educational agencies
 9 that meet the eligibility criteria of subsection (b).

10 “(v) If a small local educational agency is dis-
 11 satisfied with the determination of its grant by the
 12 State educational agency under clause (iii)(II), it
 13 may appeal that determination to the Secretary, who
 14 shall respond within 45 days of receiving it.

15 “(vi) As used in this subparagraph—

16 “(I) the term ‘large local educational agen-
 17 cy’ means a local educational agency serving an
 18 area with a total population of 20,000 or more;
 19 and

20 “(II) the term ‘small local educational
 21 agency’ means a local educational agency serv-
 22 ing an area with a total population of less than
 23 20,000.

24 “(3) ALLOCATIONS TO COUNTIES.—(A) For any
 25 fiscal year to which this paragraph applies, the Sec-

retary shall calculate grants under this section on the basis of the number of children counted under section 1124(c) for counties, and State educational agencies shall suballocate county amounts to local educational agencies, in accordance with regulations promulgated by the Secretary.

“(B) In any State in which a large number of local educational agencies overlap county boundaries, or for which the State believes it has data that would better target funds than allocating them by county, the State educational agency may apply to the Secretary for authority to make the allocations under this part for a particular fiscal year directly to local educational agencies without regard to counties.

“(C) If the Secretary approves a State’s application under subparagraph (B), the State educational agency shall provide the Secretary an assurance that those allocations are made—

“(i) using precisely the same factors for determining a grant as are used under this part; or

“(ii) using data that the State educational agency submits to the Secretary for approval that more accurately target poverty.

1 “(D) The State educational agency shall pro-
 2 vide the Secretary an assurance that a procedure is
 3 (or will be) established through which local edu-
 4 cational agencies that are dissatisfied with its deter-
 5 minations under subparagraph (B) may appeal di-
 6 rectly to the Secretary for a final determination.

7 “(4) PUERTO RICO.—For each fiscal year, the
 8 Secretary shall determine the percentage that the
 9 average per pupil expenditure in the Commonwealth
 10 of Puerto Rico is of the lowest average per pupil ex-
 11 penditure of any of the 50 States. The grant that
 12 the Commonwealth of Puerto Rico shall be eligible
 13 to receive under this section for a fiscal year shall
 14 be the amount arrived at by multiplying the number
 15 of children counted under subsection (c) for the
 16 Commonwealth of Puerto Rico by the product of—

17 “(A) the percentage determined under the
 18 preceding sentence; and

19 “(B) 32 percent of the average per pupil
 20 expenditure in the United States.

21 “(5) DEFINITION.—For purposes of this sub-
 22 section, the term ‘State’ does not include an outlying
 23 area.

24 “(b) MINIMUM NUMBER OF CHILDREN TO QUAL-
 25 IFY.—A local educational agency is eligible for a basic

1 grant under this section for any fiscal year only if the
 2 number of children counted under subsection (c) for that
 3 agency is—

4 “(1) 10 or more; and

5 “(2) more than 2 percent of the total school-age
 6 population in the agency’s jurisdiction.

7 “(c) CHILDREN TO BE COUNTED.—

8 “(1) CATEGORIES OF CHILDREN.—The number
 9 of children to be counted for purposes of this section
 10 is the aggregate of—

11 “(A) the number of children aged 5 to 17,
 12 inclusive, in the school district of the local edu-
 13 cational agency from families below the poverty
 14 level as determined under paragraph (2);

15 “(B) the number of children aged 5 to 17,
 16 inclusive, in the school district of such agency
 17 from families above the poverty level as deter-
 18 mined under paragraph (4); and

19 “(C) the number of children (determined
 20 under paragraph (4) for either the preceding
 21 year as described in that paragraph, or for the
 22 second preceding year, as the Secretary finds
 23 appropriate) aged 5 to 17, inclusive, in the
 24 school district of such agency in institutions for
 25 neglected and delinquent children (other than

1 such institutions operated by the United
2 States), but not counted pursuant to subpart 1
3 of part D for the purposes of a grant to a State
4 agency, or being supported in foster homes with
5 public funds.

6 “(2) DETERMINATION OF NUMBER OF CHIL-
7 DREN.—For the purposes of this section, the Sec-
8 retary shall determine the number of children aged
9 5 to 17, inclusive, from families below the poverty
10 level on the basis of the most recent satisfactory
11 data, described in paragraph (3), available from the
12 Department of Commerce. The District of Columbia
13 and the Commonwealth of Puerto Rico shall be
14 treated as individual local educational agencies. If a
15 local educational agency contains 2 or more counties
16 in their entirety, then each county will be treated as
17 if such county were a separate local educational
18 agency for purposes of calculating grants under this
19 part. The total of grants for such counties shall be
20 allocated to such a local educational agency, which
21 local educational agency shall distribute to schools in
22 each county within such agency a share of the local
23 educational agency’s total grant that is no less than
24 the county’s share of the population counts used to
25 calculate the local educational agency’s grant.

1 “(3) POPULATION UPDATES.—In fiscal year
2 2002 and every 2 years thereafter, the Secretary
3 shall use updated data on the number of children,
4 aged 5 to 17, inclusive, from families below the pov-
5 erty level for counties or local educational agencies,
6 published by the Department of Commerce, unless
7 the Secretary and the Secretary of Commerce deter-
8 mine that use of the updated population data would
9 be inappropriate or unreliable. If the Secretary and
10 the Secretary of Commerce determine that some or
11 all of the data referred to in this paragraph are in-
12 appropriate or unreliable, they shall publicly disclose
13 their reasons. In determining the families which are
14 below the poverty level, the Secretary shall utilize
15 the criteria of poverty used by the Bureau of the
16 Census in compiling the most recent decennial cen-
17 sus, in such form as those criteria have been up-
18 dated by increases in the Consumer Price Index for
19 all urban consumers, published by the Bureau of
20 Labor Statistics.

21 “(4) OTHER CHILDREN TO BE COUNTED.—For
22 purposes of this section, the Secretary shall deter-
23 mine the number of children aged 5 to 17, inclusive,
24 from families above the poverty level on the basis of
25 the number of such children from families receiving

1 an annual income, in excess of the current criteria
2 of poverty, from payments under a State program
3 funded under part A of title IV of the Social Secu-
4 rity Act, and in making such determinations the
5 Secretary shall utilize the criteria of poverty used by
6 the Bureau of the Census in compiling the most re-
7 cent decennial census for a family of 4 in such form
8 as those criteria have been updated by increases in
9 the Consumer Price Index for all urban consumers,
10 published by the Bureau of Labor Statistics. The
11 Secretary shall determine the number of children
12 aged 5 through 17 living in institutions for neglected
13 or delinquent children, or being supported in foster
14 homes with public funds, on the basis of the case-
15 load data for the month of October of the preceding
16 fiscal year (using, in the case of children described
17 in the preceding sentence, the criteria of poverty and
18 the form of such criteria required by such sentence
19 which were determined for the calendar year pre-
20 ceding such month of October) or, to the extent that
21 such data are not available to the Secretary before
22 January of the calendar year in which the Sec-
23 retary's determination is made, then on the basis of
24 the most recent reliable data available to the Sec-
25 retary at the time of such determination. The Sec-

1 retary of Health and Human Services shall collect
2 and transmit the information required by this para-
3 graph to the Secretary not later than January 1 of
4 each year. For the purposes of this section, the Sec-
5 retary shall consider all children who are in correc-
6 tional institutions to be living in institutions for de-
7 linquent children.

8 “(5) ESTIMATE.—When requested by the Sec-
9 retary, the Secretary of Commerce shall make a spe-
10 cial updated estimate of the number of children of
11 such ages who are from families below the poverty
12 level (determined as described in paragraph (1)) in
13 each school district, and the Secretary is authorized
14 to pay (either in advance or by way of reimburse-
15 ment) the Secretary of Commerce the cost of making
16 this special estimate. The Secretary of Commerce
17 shall give consideration to any request of the chief
18 executive of a State for the collection of additional
19 census information. For purposes of this section, the
20 Secretary shall consider all children who are in cor-
21 rectional institutions to be living in institutions for
22 delinquent children.

23 “(d) STATE MINIMUM.—Notwithstanding section
24 1122, the aggregate amount allotted for all local edu-

1 cational agencies within a State may not be less than the
 2 lesser of—

3 “(1) 0.25 percent of total grants under this sec-
 4 tion; or

5 “(2) the average of—

6 “(A) one-quarter of 1 percent of the total
 7 amount available for such fiscal year under this
 8 section; and

9 “(B) the number of children in such State
 10 counted under subsection (c) in the fiscal year
 11 multiplied by 150 percent of the national aver-
 12 age per pupil payment made with funds avail-
 13 able under this section for that year.”.

14 **SEC. 126. CONCENTRATION GRANTS.**

15 Section 1124A (20 U.S.C. 6334) is amended to read
 16 as follows:

17 **“SEC. 1124A. CONCENTRATION GRANTS TO LOCAL EDU-
 18 CATIONAL AGENCIES.**

19 “(a) **ELIGIBILITY FOR AND AMOUNT OF GRANTS.—**

20 “(1) **IN GENERAL.—**(A) Except as otherwise
 21 provided in this paragraph, each local educational
 22 agency, in a State other than an outlying area,
 23 which is eligible for a grant under section 1124 for
 24 any fiscal year is eligible for an additional grant
 25 under this section for that fiscal year if the number

1 of children counted under section 1124(c) for the
2 agency exceeds either—

3 “(i) 6,500; or

4 “(ii) 15 percent of the total number of
5 children aged 5 through 17 in the agency.

6 “(B) Notwithstanding section 1122, no State
7 described in subparagraph (A) shall receive less than
8 the lesser of—

9 “(i) 0.25 percent of total grants; or

10 “(ii) the average of—

11 “(I) one-quarter of 1 percent of the
12 sums available to carry out this section for
13 such fiscal year; and

14 “(II) the greater of—

15 “(aa) \$340,000; or

16 “(bb) the number of children in
17 such State counted for purposes of
18 this section in that fiscal year multi-
19 plied by 150 percent of the national
20 average per pupil payment made with
21 funds available under this section for
22 that year.

23 “(2) SPECIAL RULE.—For each county or local
24 educational agency eligible to receive an additional

1 grant under this section for any fiscal year the Sec-
 2 retary shall determine the product of—

3 “(A) the number of children counted under
 4 section 1124(c) for that fiscal year; and

5 “(B) the amount in section 1124(a)(1)(B)
 6 for all States except Puerto Rico, and the
 7 amount in section 1124(a)(4) for Puerto Rico.

8 “(3) AMOUNT.—The amount of the additional
 9 grant for which an eligible local educational agency
 10 or county is eligible under this section for any fiscal
 11 year shall be an amount which bears the same ratio
 12 to the amount available to carry out this section for
 13 that fiscal year as the product determined under
 14 paragraph (2) for such local educational agency for
 15 that fiscal year bears to the sum of such products
 16 for all local educational agencies in the United
 17 States for that fiscal year.

18 “(4) LOCAL ALLOCATIONS.—(A) Grant
 19 amounts under this section shall be determined in
 20 accordance with paragraphs (2) and (3) of section
 21 1124(a).

22 “(B) For any fiscal year for which the Sec-
 23 retary allocates funds under this section on the basis
 24 of counties, a State may reserve not more than 2
 25 percent of its allocation under this section for any

1 fiscal year to make grants to local educational agen-
 2 cies that meet the criteria of clause (i) or (ii) of
 3 paragraph (1)(A) but that are in ineligible counties.

4 “(b) STATES RECEIVING MINIMUM GRANTS.—In
 5 States that receive the minimum grant under subsection
 6 (a)(1)(B), the State educational agency shall allocate such
 7 funds among the local educational agencies in each State
 8 either—

9 “(1) in accordance with paragraphs (2) and (4)
 10 of subsection (a); or

11 “(2) based on their respective concentrations
 12 and numbers of children counted under section
 13 1124(c), except that only those local educational
 14 agencies with concentrations or numbers of children
 15 counted under section 1124(c) that exceed the state-
 16 wide average percentage of such children or the
 17 statewide average number of such children shall re-
 18 ceive any funds on the basis of this paragraph.”.

19 **SEC. 127. TARGETED GRANTS.**

20 Section 1125 (20 U.S.C 6335) is amended to read
 21 as follows:

22 **“SEC. 1125. TARGETED GRANTS TO LOCAL EDUCATIONAL**
 23 **AGENCIES.**

24 “(a) ELIGIBILITY OF LOCAL EDUCATIONAL AGEN-
 25 CIES.—A local educational agency in a State is eligible to

1 receive a targeted grant under this section for any fiscal
 2 year if the number of children in the local educational
 3 agency counted under section 1124(c), before application
 4 of the weighting factor described in subsection (c), is at
 5 least 10, and if the number of children counted for grants
 6 under section 1124 is at least 5 percent of the total popu-
 7 lation aged 5 to 17 years, inclusive, in the local edu-
 8 cational agency. Funds made available as a result of ap-
 9 plying this subsection shall be reallocated by the State
 10 educational agency to other eligible local educational agen-
 11 cies in the State in proportion to the distribution of other
 12 funds under this section.

13 “(b) GRANTS FOR LOCAL EDUCATIONAL AGENCIES,
 14 THE DISTRICT OF COLUMBIA, AND PUERTO RICO.—

15 “(1) IN GENERAL.—The amount of the grant
 16 that a local educational agency in a State or that the
 17 District of Columbia is eligible to receive under this
 18 section for any fiscal year shall be the product of—

19 “(A) the weighted child count determined
 20 under subsection (c); and

21 “(B) the amount in section 1124(a)(1).

22 “(2) PUERTO RICO.—For each fiscal year, the
 23 amount of the grant for which the Commonwealth of
 24 Puerto Rico is eligible under this section shall be
 25 equal to the number of children counted under sub-

1 section (c) for Puerto Rico, multiplied by the
 2 amount determined in section 1124(a)(4).

3 “(c) WEIGHTED CHILD COUNT.—

4 “(1) WEIGHTS FOR ALLOCATIONS TO COUN-
 5 TIES.—(A) For each fiscal year for which the Sec-
 6 retary uses county population data to calculate
 7 grants, the weighted child count used to determine
 8 a county’s allocation under this section is the larger
 9 of the 2 amounts determined under clause (i) or (ii),
 10 as follows:

11 “(i) This amount is determined by
 12 adding—

13 “(I) the number of children deter-
 14 mined under section 1124(c) for that coun-
 15 ty constituting up to 12.20 percent, inclu-
 16 sive, of the county’s total population aged
 17 5 to 17, inclusive, multiplied by 1.0;

18 “(II) the number of such children
 19 constituting more than 12.20 percent, but
 20 not more than 17.70 percent, of such pop-
 21 ulation, multiplied by 1.75;

22 “(III) the number of such children
 23 constituting more than 17.70 percent, but
 24 not more than 22.80 percent, of such pop-
 25 ulation, multiplied by 2.5;

1 “(IV) the number of such children
2 constituting more than 22.80 percent, but
3 not more than 29.70 percent, of such pop-
4 ulation, multiplied by 3.25; and

5 “(V) the number of such children con-
6 stituting more than 29.70 percent of such
7 population, multiplied by 4.0.

8 “(ii) This amount is determined by
9 adding—

10 “(I) the number of children deter-
11 mined under section 1124(c) constituting
12 up to 1,917, inclusive, of the county’s total
13 population aged 5 to 17, inclusive, multi-
14 plied by 1.0;

15 “(II) the number of such children be-
16 tween 1,918 and 5,938, inclusive, in such
17 population, multiplied by 1.5;

18 “(III) the number of such children be-
19 tween 5,939 and 20,199, inclusive, in such
20 population, multiplied by 2.0;

21 “(IV) the number of such children be-
22 tween 20,200 and 77,999, inclusive, in
23 such population, multiplied by 2.5; and

1 “(V) the number of such children in
 2 excess of 77,999 in such population, multi-
 3 plied by 3.0.

4 “(B) Notwithstanding subparagraph (A), the
 5 weighting factor for Puerto Rico under this para-
 6 graph shall not be greater than the total number of
 7 children counted under section 1124(c) multiplied by
 8 1.72.

9 “(2) WEIGHTS FOR ALLOCATIONS TO LOCAL
 10 EDUCATIONAL AGENCIES.—(A) For each fiscal year
 11 for which the Secretary uses local educational agen-
 12 cy data, the weighted child count used to determine
 13 a local educational agency’s grant under this section
 14 is the larger of the 2 amounts determined under
 15 clauses (i) and (ii), as follows:

16 “(i) This amount is determined by
 17 adding—

18 “(I) the number of children deter-
 19 mined under section 1124(c) for that local
 20 educational agency constituting up to
 21 14.265 percent, inclusive, of the agency’s
 22 total population aged 5 to 17, inclusive,
 23 multiplied by 1.0;

24 “(II) the number of such children
 25 constituting more than 14.265 percent, but

1 not more than 21.553 percent, of such
2 population, multiplied by 1.75;

3 “(III) the number of such children
4 constituting more than 21.553 percent, but
5 not more than 29.223 percent, of such
6 population, multiplied by 2.5;

7 “(IV) the number of such children
8 constituting more than 29.223 percent, but
9 not more than 36.538 percent, of such
10 population, multiplied by 3.25; and

11 “(V) the number of such children con-
12 stituting more than 36.538 percent of such
13 population, multiplied by 4.0.

14 “(ii) This amount is determined by
15 adding—

16 “(I) the number of children deter-
17 mined under section 1124(c) constituting
18 up to 575, inclusive, of the agency’s total
19 population aged 5 to 17, inclusive, multi-
20 plied by 1.0;

21 “(II) the number of such children be-
22 tween 576 and 1,870, inclusive, in such
23 population, multiplied by 1.5;

1 “(III) the number of such children be-
 2 tween 1,871 and 6,910, inclusive, in such
 3 population, multiplied by 2.0;

4 “(IV) the number of such children be-
 5 tween 6,911 and 42,000, inclusive, in such
 6 population, multiplied by 2.5; and

7 “(V) the number of such children in
 8 excess of 42,000 in such population, multi-
 9 plied by 3.0.

10 “(B) Notwithstanding subparagraph (A), the
 11 weighting factor for Puerto Rico under this para-
 12 graph shall not be greater than the total number of
 13 children counted under section 1124(c) multiplied by
 14 1.72.

15 “(d) CALCULATION OF GRANT AMOUNTS.—Grants
 16 under this section shall be calculated in accordance with
 17 paragraphs (2) and (3) of section 1124(a).

18 “(e) STATE MINIMUM.—Notwithstanding any other
 19 provision of this section or section 1122, from the total
 20 amount available for any fiscal year to carry out this sec-
 21 tion, each State shall be allotted at least the lesser of—

22 “(1) 0.25 percent of total appropriations; or

23 “(2) the average of—

24 “(A) one-quarter of 1 percent of the total
 25 amount available to carry out this section; and

1 “(B) 150 percent of the national average
 2 grant under this section per child described in
 3 section 1124(c), without application of a
 4 weighting factor, multiplied by the State’s total
 5 number of children described in section
 6 1124(c), without application of a weighting fac-
 7 tor.”.

8 **SEC. 128. EDUCATION FINANCE INCENTIVE PROGRAM.**

9 Section 1125A (20 U.S.C. 6336) is amended to read
 10 as follows:

11 **“SEC. 1125A. EDUCATION FINANCE INCENTIVE PROGRAM.**

12 “(a) GRANTS.—The Secretary is authorized to make
 13 grants to States from the sums appropriated pursuant to
 14 subsection (e) to carry out the purposes of this part.

15 “(b) DISTRIBUTION BASED UPON FISCAL EFFORT
 16 AND EQUITY.—

17 “(1) IN GENERAL.—Funds appropriated pursu-
 18 ant to subsection (e) shall be allotted to each State
 19 based upon the number of children aged 5 to 17, in-
 20 clusive, of such State multiplied by the product of—

21 “(A) such State’s effort factor described in
 22 paragraph (2); multiplied by

23 “(B) 1.30 minus such State’s equity factor
 24 described in paragraph (3), except that for each
 25 fiscal year no State shall receive less than $\frac{1}{4}$ of

1 1 percent of the total amount appropriated pur-
2 suant to subsection (e) for such fiscal year.

3 “(2) EFFORT FACTOR.—(A) Except as provided
4 in subparagraph (B), the effort factor for a State
5 shall be determined in accordance with the suc-
6 ceeding sentence, except that such factor shall not
7 be less than .95 nor greater than 1.05. The effort
8 factor determined under this sentence shall be a
9 fraction the numerator of which is the product of
10 the 3-year average per-pupil expenditure in the State
11 multiplied by the 3-year average per capita income
12 in the United States and the denominator of which
13 is the product of the 3-year average per capita in-
14 come in such State multiplied by the 3-year average
15 per-pupil expenditure in the United States.

16 “(B) The effort factor for the Commonwealth
17 of Puerto Rico shall be equal to the lowest effort
18 factor calculated under subparagraph (A) for any
19 State.

20 “(3) EQUITY FACTOR.—(A)(i) Except as pro-
21 vided in subparagraph (B), the Secretary shall de-
22 termine the equity factor under this section for each
23 State in accordance with clause (ii).

24 “(ii)(I) For each State, the Secretary shall com-
25 pute a weighted coefficient of variation for the per-

1 pupil expenditures of local educational agencies in
2 accordance with subclauses (II), (III), (IV), and (V).

3 “(II) In computing coefficients of variation, the
4 Secretary shall weigh the variation between per-pupil
5 expenditures in each local educational agency and
6 the average per-pupil expenditures in the State ac-
7 cording to the number of pupils in the local edu-
8 cational agency.

9 “(III) In determining the number of pupils
10 under this paragraph in each local educational agen-
11 cy and each State, the Secretary shall multiply the
12 number of children from economically disadvantaged
13 families by 1.4 under this paragraph.

14 “(IV) In computing coefficients of variation, the
15 Secretary shall include only those local educational
16 agencies with an enrollment of more than 200 stu-
17 dents.

18 “(V) The Secretary shall compute separate co-
19 efficients of variation for elementary, secondary, and
20 unified local educational agencies and shall combine
21 such coefficients into a single weighted average coef-
22 ficient for the State by multiplying each coefficient
23 by the total enrollments of the local educational
24 agencies in each group, adding such products, and

1 dividing such sum by the total enrollments of the
2 local educational agencies in the State.

3 “(B) The equity factor for a State that meets
4 the disparity standard described in section 222.63 of
5 title 34, Code of Federal Regulations (as such sec-
6 tion was in effect on the day preceding the date of
7 enactment of the Public Education Reinvestment,
8 Reinvention, and Responsibility Act) or a State with
9 only 1 local educational agency shall be not greater
10 than 0.10.

11 “(C) The Secretary may revise each State’s eq-
12 uity factor as necessary based on the advice of inde-
13 pendent education finance scholars to reflect other
14 need-based costs of local educational agencies in ad-
15 dition to economically disadvantaged student enroll-
16 ment, such as differing geographic costs, costs asso-
17 ciated with students with disabilities, children with
18 limited English proficiency or other meaningful edu-
19 cational needs, which deserve additional support. In
20 addition and also with the advice of independent
21 education finance scholars, the Secretary may revise
22 each State’s equity factor to incorporate other valid
23 and accepted methods to achieve adequacy of edu-
24 cational opportunity that may not be reflected in a
25 coefficient of variation method.

1 “(c) USE OF FUNDS.—All funds awarded to each
 2 State under this section shall be allocated to local edu-
 3 cational agencies and schools on a basis consistent with
 4 the distribution of other funds to such agencies and
 5 schools under sections 1124, 1124A, and 1125 to carry
 6 out activities under this part.

7 “(d) MAINTENANCE OF EFFORT.—

8 “(1) IN GENERAL.—Except as provided in para-
 9 graph (2), a State is entitled to receive its full allot-
 10 ment of funds under this part for any fiscal year
 11 only if the Secretary finds that either the combined
 12 fiscal effort per student or the aggregate expendi-
 13 tures within the State with respect to the provision
 14 of free public education for the fiscal year preceding
 15 the fiscal year for which the determination is made
 16 was not less than 90 percent of such combined fiscal
 17 effort or aggregate expenditures for the second fiscal
 18 year preceding the fiscal year for which the deter-
 19 mination is made.

20 “(2) REDUCTION OF FUNDS.—The Secretary
 21 shall reduce the amount of the funds awarded to any
 22 State under this section in any fiscal year in the
 23 exact proportion to which the State fails to meet the
 24 requirements of paragraph (1) by falling below 90
 25 percent of both the fiscal effort per student and ag-

1 gregate expenditures (using the measure most favor-
 2 able to the State), and no such lesser amount shall
 3 be used for computing the effort required under
 4 paragraph (1) for subsequent years.

5 “(3) WAIVERS.—The Secretary may waive, for
 6 1 fiscal year only, the requirements of paragraphs
 7 (1) and (2) if the Secretary determines that such a
 8 waiver would be equitable due to exceptional or un-
 9 controllable circumstances such as a natural disaster
 10 or a precipitous and unforeseen decline in the finan-
 11 cial resources of the State.

12 “(e) AUTHORIZATION OF APPROPRIATIONS.—For the
 13 purpose of making grants under this section, there are au-
 14 thorized to be appropriated \$200,000,000 for fiscal year
 15 2002 and such sums as may be necessary for each of the
 16 3 succeeding fiscal years.”.

17 **SEC. 129. SPECIAL ALLOCATION PROCEDURES.**

18 Section 1126 (20 U.S.C. 6337) is amended to read
 19 as follows:

20 **“SEC. 1126. SPECIAL ALLOCATION PROCEDURES.**

21 “(a) ALLOCATIONS FOR NEGLECTED CHILDREN.—

22 “(1) IN GENERAL.—If a State educational
 23 agency determines that a local educational agency in
 24 the State is unable or unwilling to provide for the
 25 special educational needs of children who are living

1 in institutions for neglected or delinquent children
2 as described in section 1124(c)(1)(C), the State edu-
3 cational agency shall, if such agency assumes re-
4 sponsibility for the special educational needs of such
5 children, receive the portion of such local educational
6 agency's allocation under sections 1124, 1124A, and
7 1125 that is attributable to such children.

8 “(2) SPECIAL RULE.—If the State educational
9 agency does not assume such responsibility, any
10 other State or local public agency that does assume
11 such responsibility shall receive that portion of the
12 local educational agency's allocation.

13 “(b) ALLOCATIONS AMONG LOCAL EDUCATIONAL
14 AGENCIES.—The State educational agency may allocate
15 the amounts of grants under sections 1124, 1124A, and
16 1125 among the affected local educational agencies—

17 “(1) if 2 or more local educational agencies
18 serve, in whole or in part, the same geographical
19 area;

20 “(2) if a local educational agency provides free
21 public education for children who reside in the
22 school district of another local educational agency;
23 or

1 “(3) to reflect the merger, creation, or change
2 of boundaries of 1 or more local educational agen-
3 cies.

4 “(c) REALLOCATION.—If a State educational agency
5 determines that the amount of a grant that a local edu-
6 cational agency would receive under sections 1124, 1124A,
7 and 1125 is more than such local agency will use, the
8 State educational agency shall make the excess amount
9 available to other local educational agencies in the State
10 that need additional funds in accordance with criteria es-
11 tablished by the State educational agency.”.

12 **Subtitle B—Even Start Family** 13 **Literacy Programs**

14 **SEC. 131. PROGRAM AUTHORIZED.**

15 Section 1202(c) (20 U.S.C. 6362(c)) is amended—

16 (1) in paragraph (1), by striking “subsection
17 and for which” and all that follows through “,
18 whichever is less, to award grants,” and inserting
19 “subsection, from funds reserved under section
20 7104(b), the Secretary shall award grants,”;

21 (2) by striking paragraph (2)(C); and

22 (3) in paragraph (3)—

23 (A) by striking “is defined” and inserting
24 “was defined”; and

1 (B) by inserting “as such section was in
 2 effect on the day preceding the date of enact-
 3 ment of the Public Education Reinvestment,
 4 Reinvention, and Responsibility Act” after
 5 “2252”.

6 **SEC. 132. APPLICATIONS.**

7 Section 1207(c)(1)(F) (20 U.S.C. 6367(c)(1)(F)) is
 8 amended by striking “14306” and inserting “8305”.

9 **SEC. 133. RESEARCH.**

10 Section 1211(c) (20 U.S.C. 6396b(c)) is amended to
 11 read as follows:

12 “(c) DISSEMINATION.—The Secretary shall dissemi-
 13 nate, or designate another entity to disseminate, the re-
 14 sults of the research described in subsection (a) to States
 15 and recipients of subgrants under this part.”.

16 **Subtitle C—Education of Migratory**
 17 **Children**

18 **SEC. 141. COMPREHENSIVE NEEDS ASSESSMENT AND SERV-**
 19 **ICE-DELIVERY PLAN; AUTHORIZED ACTIVI-**
 20 **TIES.**

21 Section 1306(a)(1) (20 U.S.C. 6369(a)(1)) is
 22 amended—

23 (1) in subparagraph (A), by striking “, the
 24 Goals 2000” and all that follows through the semi-

1 colon and inserting “or other Acts, as appropriate,
2 consistent with section 8306;”;

3 (2) in subparagraph (B), by striking “section
4 14302” and inserting “section 8302”; and

5 (3) in subparagraph (F), by striking “bilingual
6 education” and all that follows and inserting “lan-
7 guage instruction programs under title III; and”.

8 **Subtitle D—Prevention and Inter-**
9 **vention Programs for Children**
10 **and Youth Who Are Neglected,**
11 **Delinquent, or at Risk of Drop-**
12 **ping Out**

13 **SEC. 151. STATE PLAN AND STATE AGENCY APPLICATIONS.**

14 Section 1414 (20 U.S.C. 6434) is amended—

15 (1) in subsection (a)(1), by striking “, the
16 Goals 2000” and all that follows through the period
17 and inserting “or other Acts, as appropriate, con-
18 sistent with section 8305.”; and

19 (2) in subsection (c)—

20 (A) in paragraph (6), by striking “section
21 14701” and inserting “section 8701”; and

22 (B) in paragraph (7), by striking “section
23 14501” and inserting “section 8501”.

1 **SEC. 152. USE OF FUNDS.**

2 Section 1415(a)(2)(D) (20 U.S.C. 6435(a)(2)(D)) is
3 amended by striking “section 14701” and inserting “sec-
4 tion 8701”.

5 **Subtitle E—Federal Evaluations,**
6 **Demonstrations, and Transition**
7 **Projects**

8 **SEC. 161. EVALUATIONS.**

9 Section 1501 (20 U.S.C. 6491) is amended—

10 (1) in subsection (a)(4)—

11 (A) by striking “January 1, 1996” and in-
12 serting “January 1, 2003”; and

13 (B) by striking “January 1, 1999” and in-
14 serting “January 1, 2006”;

15 (2) in subsection (b)(1), by striking “December
16 31, 1997” and inserting “December 31, 2004”; and

17 (3) in subsection (e)(2), by striking “December
18 31, 1996” and inserting “December 31, 2003”.

19 **SEC. 162. DEMONSTRATIONS OF INNOVATIVE PRACTICES.**

20 Section 1502 (20 U.S.C. 6492) is amended to read
21 as follows:

22 **“SEC. 1502. COMPREHENSIVE SCHOOL REFORM.**

23 **“(a) FINDINGS AND PURPOSE.—**

24 **“(1) FINDINGS.—Congress finds the following:**

25 **“(A) A number of schools across the coun-**
26 **try have shown impressive gains in student per-**

1 formance through the use of comprehensive
 2 models for schoolwide change that incorporate
 3 virtually all aspects of school operations.

4 “(B) No single comprehensive school re-
 5 form model may be suitable for every school.
 6 Schools should be encouraged to examine suc-
 7 cessful, externally developed comprehensive
 8 school reform approaches as the schools under-
 9 take comprehensive school reform.

10 “(C) Comprehensive school reform is an
 11 important means by which children are assisted
 12 in meeting challenging State student perform-
 13 ance standards.

14 “(2) PURPOSE.—The purpose of this section is
 15 to provide financial incentives for schools to develop
 16 comprehensive school reforms, based upon scientif-
 17 ically based research and effective practices that in-
 18 clude an emphasis on basic academics and parental
 19 involvement so that all children can meet challenging
 20 State content and performance standards.

21 “(b) GRANTS TO STATES.—

22 “(1) IN GENERAL.—The Secretary is authorized
 23 to provide grants to State educational agencies from
 24 allotments under paragraph (2) to provide subgrants

1 to local educational agencies to carry out the pur-
 2 pose described in subsection (a)(2).

3 “(2) ALLOTMENT.—

4 “(A) RESERVATION.—Of the amount made
 5 available under subsection (f) for a fiscal year,
 6 the Secretary may reserve—

7 “(i) not more than 1 percent for—

8 “(I) payments to the Bureau of
 9 Indian Affairs for activities, approved
 10 by the Secretary, consistent with this
 11 section; and

12 “(II) payments to outlying areas,
 13 to be allotted in accordance with their
 14 respective needs for assistance under
 15 this section as determined by the Sec-
 16 retary, for activities, approved by the
 17 Secretary, consistent with this section;
 18 and

19 “(ii) not more than 1 percent to con-
 20 duct national evaluation activities de-
 21 scribed in subsection (d).

22 “(B) IN GENERAL.—Of the amount made
 23 available under subsection (f) for a fiscal year
 24 and remaining after the reservation under sub-
 25 paragraph (A), the Secretary shall allot to each

1 State an amount that bears the same ratio to
2 the remainder as the amount made available
3 under section 1124 to the State for the pre-
4 ceding fiscal year bears to the total amount
5 made available under section 1124 to all States
6 for that year.

7 “(C) REALLOTMENT.—If a State chooses
8 not to apply for funds under this section, or
9 fails to submit an approvable application under
10 paragraph (3), the Secretary shall reallocate the
11 funds that such State would have received
12 under subparagraph (B) to States having appli-
13 cations approved under paragraph (3), in ac-
14 cordance with subparagraph (B).

15 “(3) STATE APPLICATION.—

16 “(A) IN GENERAL.—Each State edu-
17 cational agency that desires to receive a grant
18 under this section shall submit an application to
19 the Secretary at such time, in such manner and
20 containing such other information as the Sec-
21 retary may reasonably require.

22 “(B) CONTENTS.—Each State application
23 shall describe—

24 “(i) the process and selection criteria
25 with which the State educational agency,

1 after using expert review, will select local
2 educational agencies to receive subgrants
3 under this section;

4 “(ii) how the agency will ensure that
5 only comprehensive school reforms that are
6 based on scientifically based research will
7 receive funds under this section;

8 “(iii) how the agency will disseminate
9 materials regarding information on com-
10 prehensive school reforms that are based
11 on scientifically based research;

12 “(iv) how the agency will evaluate the
13 implementation of such reforms and meas-
14 ure the extent to which the reforms re-
15 sulted in increased student academic per-
16 formance; and

17 “(v) how the agency will provide, upon
18 request, technical assistance to a local edu-
19 cational agency in evaluating, developing,
20 and implementing comprehensive school re-
21 form.

22 “(4) REPORTING.—Each State educational
23 agency that receives a grant under this section shall
24 provide to the Secretary such information as the
25 Secretary may require, including the names of local

1 educational agencies and schools selected to receive
 2 grants under this section, the amount of such
 3 grants, and a description of the comprehensive
 4 school reform model selected and used for the
 5 schools.

6 “(5) ADMINISTRATIVE COSTS.—A State edu-
 7 cational agency that receives a grant under this sec-
 8 tion may reserve not more than 5 percent of the
 9 funds made available through the grant for adminis-
 10 trative, evaluation, and technical assistance ex-
 11 penses.

12 “(c) GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

13 “(1) GRANTS.—

14 “(A) IN GENERAL.—Except as provided in
 15 subsection (b)(5), a State educational agency
 16 that receives a grant under this section shall
 17 use the grant funds to provide grants, on a
 18 competitive basis, to local educational agencies
 19 receiving funds under part A.

20 “(B) GRANT REQUIREMENTS.—A grant to
 21 a local educational agency shall be—

22 “(i) of sufficient size and scope to pay
 23 for the initial costs for the particular com-
 24 prehensive school reform plan selected or

1 designed by each school identified in the
2 application of the local educational agency;

3 “(ii) in an amount of not less than
4 \$50,000 for each participating school; and

5 “(iii) made for an initial period of 1
6 year, and shall be renewable for 2 addi-
7 tional 1-year periods if the participating
8 schools are making substantial progress in
9 the implementation of their reforms.

10 “(2) LOCAL APPLICATIONS.—

11 “(A) IN GENERAL.—To be eligible to re-
12 ceive a grant under this section, a local edu-
13 cational agency shall submit an application to
14 the State educational agency at such time, in
15 such manner, and containing such information
16 as the agency may require.

17 “(B) CONTENTS.—At a minimum, the
18 local application shall—

19 “(i) identify which schools that are
20 served by the local educational agency and
21 eligible for funds under part A plan to im-
22 plement a comprehensive school reform
23 program, and identify the projected costs
24 of such a program;

1 “(ii) describe the scientifically based
 2 comprehensive school reforms that such
 3 schools will implement;

4 “(iii) describe how the agency will
 5 provide technical assistance and support
 6 for the effective implementation of the sci-
 7 entifically based school reforms selected by
 8 such schools; and

9 “(iv) describe how the agency will
 10 evaluate the implementation of such re-
 11 forms and measure the results achieved in
 12 improving student academic performance.

13 “(3) COMPONENTS OF THE PROGRAM.—A local
 14 educational agency that receives a grant under this
 15 section shall provide grant funds to schools that, in-
 16 dividually, implement a comprehensive school reform
 17 program that—

18 “(A) employs innovative strategies and
 19 proven methods for student learning, teaching,
 20 and school management that are based on sci-
 21 entifically based research and effective practices
 22 and have been replicated successfully in schools
 23 with diverse characteristics;

24 “(B) uses a comprehensive design for ef-
 25 fective school functioning, including instruction,

1 assessment, classroom management, profes-
2 sional development, parental involvement, and
3 school management, that aligns the school's
4 curriculum, technology, and professional devel-
5 opment into a comprehensive reform plan for
6 schoolwide change designed to enable all stu-
7 dents to meet challenging State content and
8 student performance standards, and that ad-
9 dresses needs identified through a school needs
10 assessment;

11 “(C) provides high quality and continuous
12 teacher and staff professional development;

13 “(D) includes measurable goals for student
14 performance and benchmarks for meeting such
15 goals;

16 “(E) is supported by teachers, principals,
17 administrators, and other professional staff;

18 “(F) provides for the meaningful involve-
19 ment of parents and the local community in
20 planning and implementing school improvement
21 activities;

22 “(G) uses high quality external technical
23 support and assistance from an entity, which
24 may be an institution of higher education, with

1 experience and expertise in schoolwide reform
2 and improvement;

3 “(H) includes a plan for the evaluation of
4 the implementation of school reforms and the
5 student results achieved; and

6 “(I) identifies how other resources, includ-
7 ing Federal, State, local, and private resources,
8 available to the school will be used to coordinate
9 services to support and sustain the school re-
10 form effort.

11 “(4) PRIORITY AND CONSIDERATION.—

12 “(A) PRIORITY.—The State educational
13 agency, in awarding grants under paragraph
14 (1), shall give priority to local educational agen-
15 cies that—

16 “(i) plan to use the grant funds in
17 schools identified for school improvement
18 or corrective action under section 1116(c);
19 and

20 “(ii) demonstrate a commitment to
21 assist schools with budget allocation, pro-
22 fessional development, and other strategies
23 necessary to ensure the comprehensive
24 school reforms are properly implemented
25 and are sustained in the future.

1 “(B) GRANT CONSIDERATION.—In making
2 grants under this section, the State educational
3 agency shall take into account the need for eq-
4 uitable distribution of funds to different geo-
5 graphic regions within the State, including
6 urban and rural areas, and to elementary
7 schools and secondary schools.

8 “(5) SPECIAL RULE.—A school that receives
9 funds under this section to develop a comprehensive
10 school reform program shall not be limited to using
11 the approaches identified or developed by the De-
12 partment of Education, but may develop comprehen-
13 sive school reform programs for schoolwide change
14 that comply with paragraph (3).

15 “(d) EVALUATION AND REPORT.—

16 “(1) IN GENERAL.—The Secretary shall develop
17 and carry out a plan for a national evaluation of the
18 programs developed pursuant to this section.

19 “(2) EVALUATION.—The national evaluation
20 shall evaluate the implementation of the programs
21 and the results achieved by schools after 1 year and
22 3 years of implementing comprehensive school re-
23 forms through the programs, and assess the effec-
24 tiveness of comprehensive school reforms in schools
25 with diverse characteristics.

1 “(3) REPORTS.—

2 “(A) INTERIM REPORT.—After evaluating
3 the first year of implementation and results
4 under paragraph (2), the Secretary shall submit
5 an interim report outlining first year implemen-
6 tation activities to the Committees on Edu-
7 cation and the Workforce and Appropriations of
8 the House of Representatives and the Commit-
9 tees on Health, Education, Labor, and Pensions
10 and Appropriations of the Senate.

11 “(B) FINAL REPORT.—After evaluating
12 the third year of implementation and results
13 under paragraph (2), the Secretary shall submit
14 a final report outlining third year implementa-
15 tion activities to the committees described in
16 subparagraph (A).

17 “(e) SUPPLEMENT.—Funds made available under
18 this section shall be used to supplement and not supplant
19 other Federal, State, and local public funds expended for
20 activities described in this section.

21 “(f) AUTHORIZATION OF APPROPRIATIONS.—Funds
22 appropriated for any fiscal year under section 1002(f)
23 shall be used for carrying out the activities under this sec-
24 tion.

1 “(g) DEFINITION.—The term ‘scientifically based
2 research’—

3 “(1) means the application of rigorous, system-
4 atic, and objective procedures in the development of
5 comprehensive school reform models; and

6 “(2) shall include research that—

7 “(A) employs systematic, empirical meth-
8 ods that draw on observation or experiment;

9 “(B) involves rigorous data analyses that
10 are adequate to test stated hypotheses and jus-
11 tify the general conclusions drawn;

12 “(C) relies on measurements or observa-
13 tional methods that provide valid data across
14 evaluators and observers and across multiple
15 measurements and observations; and

16 “(D) has been accepted by a journal that
17 uses peer review or approved by a panel of inde-
18 pendent experts through a comparably rigorous,
19 objective, and scientific review.”.

20 **Subtitle F—Rural Education**
21 **Development Initiative**

22 **SEC. 171. RURAL EDUCATION DEVELOPMENT INITIATIVE.**

23 Title I (20 U.S.C. 6301 et seq.) is amended—

1 (1) by redesignating part F (20 U.S.C. 6511 et
2 seq.) as part G and redesignating accordingly the
3 references to such part F;

4 (2) by redesignating sections 1601 through
5 1604 (20 U.S.C. 6511, 6514) as sections 1701
6 through 1704, respectively, and by redesignating ac-
7 cordingly the references to such sections 1601
8 through 1604; and

9 (3) by inserting after part E (20 U.S.C. 6491
10 et seq.) the following:

11 **“PART F—RURAL EDUCATION INITIATIVE**

12 **“SEC. 1601. SHORT TITLE.**

13 “This part may be cited as the ‘Rural Education
14 Achievement Program’.

15 **“SEC. 1602. PURPOSE.**

16 “It is the purpose of this part to address the unique
17 needs of rural school districts that frequently—

18 “(1) lack the personnel and resources needed to
19 compete for Federal competitive grants; and

20 “(2) receive formula allocations in amounts too
21 small to be effective in meeting their intended pur-
22 poses.

23 **“SEC. 1603. AUTHORIZATION OF APPROPRIATIONS.**

24 “(a) IN GENERAL.—There are authorized to be ap-
25 propriated to carry out this part \$300,000,000 for fiscal

1 year 2002 and such sums as may be necessary for each
 2 of the 4 succeeding fiscal years, of which 50 percent shall
 3 be available to carry out subpart 1 for each such fiscal
 4 year and 50 percent shall be available to carry out subpart
 5 2 for each such fiscal year.

6 “(b) SPECIAL RULE.—Notwithstanding subsection
 7 (a), if the amount of funds made available under sub-
 8 section (a) to carry out subpart 1 for any fiscal year ex-
 9 ceeds the amount required to carry out subpart 1 for the
 10 fiscal year, then such excess shall be available to carry
 11 out subpart 2 for the fiscal year.

12 **“Subpart 1—Small, Rural School Achievement**
 13 **Program**

14 **“SEC. 1611. FORMULA GRANT PROGRAMS.**

15 “(a) ALTERNATIVE USES.—

16 “(1) IN GENERAL.—Notwithstanding any other
 17 provision of law, an eligible local educational agency
 18 may use the applicable funding, that the agency is
 19 eligible to receive from the State educational agency
 20 for a fiscal year, to carry out activities described in
 21 section 1114, 1115, 1116, 2207, 3107, or 6006.

22 “(2) NOTIFICATION.—An eligible local edu-
 23 cational agency shall notify the State educational
 24 agency of the local educational agency’s intention to
 25 use the applicable funding in accordance with para-

1 graph (1) not later than a date that is established
2 by the State educational agency for the notification.

3 “(b) ELIGIBILITY.—A local educational agency shall
4 be eligible to use the applicable funding in accordance with
5 subsection (a) if—

6 “(1) the total number of students in average
7 daily attendance at all of the schools served by the
8 local educational agency is less than 600; and

9 “(2) all of the schools served by the local edu-
10 cational agency are designated with a School Locale
11 Code of 7 or 8, as determined by the Secretary of
12 Education.

13 “(c) APPLICABLE FUNDING.—In this section, the
14 term ‘applicable funding’ means funds provided under
15 each of titles II, III, and VI.

16 “(d) DISBURSAL.—Each State educational agency
17 that receives applicable funding for a fiscal year shall dis-
18 burse the applicable funding to local educational agencies
19 for alternative uses under this section for the fiscal year
20 at the same time that the State educational agency dis-
21 burse the applicable funding to local educational agencies
22 that do not intend to use the applicable funding for such
23 alternative uses for the fiscal year.

24 “(e) SUPPLEMENT NOT SUPPLANT.—Funds made
25 available under this section shall be used to supplement

1 and not supplant any other Federal, State, or local edu-
 2 cation funds.

3 “(f) SPECIAL RULE.—References in Federal law to
 4 funds for the provisions of law set forth in subsection (c)
 5 may be considered to be references to funds for this sec-
 6 tion.

7 “(g) COOPERATIVE ARRANGEMENTS.—Nothing in
 8 this subpart shall be construed to prohibit a local edu-
 9 cational agency that enters into cooperative arrangements
 10 with other local educational agencies for the provision of
 11 special, compensatory, or other education services pursu-
 12 ant to State law or a written agreement from entering into
 13 similar arrangements for the use or the coordination of
 14 the use of the funds made available under this section.

15 **“SEC. 1612. FORMULA GRANT PROGRAM AUTHORIZED.**

16 “(a) IN GENERAL.—The Secretary is authorized to
 17 award grants to eligible local educational agencies to en-
 18 able the local educational agencies to carry out activities
 19 described in section 1114, 1115, 1116, 2207, 3107, or
 20 6006.

21 “(b) ELIGIBILITY.—A local educational agency shall
 22 be eligible to receive a grant under this section if—

23 “(1) the total number of students in average
 24 daily attendance at all of the schools served by the
 25 local educational agency is less than 600; and

1 “(2) all of the schools served by the local edu-
2 cational agency are designated with a School Locale
3 Code of 7 or 8, as determined by the Secretary of
4 Education.

5 “(c) AMOUNT.—

6 “(1) IN GENERAL.—The Secretary shall award
7 a grant to a local educational agency under this sec-
8 tion for a fiscal year in an amount equal to the
9 amount determined under paragraph (2) for the fis-
10 cal year minus the total amount received by the local
11 educational agency for the preceding fiscal year
12 under the provisions of law described in section
13 1611(c).

14 “(2) DETERMINATION.—The amount referred
15 to in paragraph (1) is equal to \$100 multiplied by
16 the total number of students in excess of 50 stu-
17 dents that are in average daily attendance at the
18 schools served by the local educational agency, plus
19 \$20,000, except that the amount may not exceed
20 \$60,000.

21 “(3) CENSUS DETERMINATION.—

22 “(A) IN GENERAL.—Each local educational
23 agency desiring a grant under this section shall
24 conduct a census not later than December 1 of
25 each year to determine the number of kinder-

1 garten through grade 12 students in average
2 daily attendance at the schools served by the
3 local educational agency.

4 “(B) SUBMISSION.—Each local educational
5 agency shall submit the number described in
6 subparagraph (A) to the Secretary not later
7 than March 1 of each year.

8 “(4) PENALTY.—If the Secretary determines
9 that a local educational agency has knowingly sub-
10 mitted false information under paragraph (3) for the
11 purpose of gaining additional funds under this sec-
12 tion, then the local educational agency shall be fined
13 an amount equal to twice the difference between the
14 amount the local educational agency received under
15 this section, and the correct amount the local edu-
16 cational agency would have received under this sec-
17 tion if the agency had submitted accurate informa-
18 tion under paragraph (3).

19 “(d) DISBURSAL.—The Secretary shall disburse the
20 funds awarded to a local educational agency under this
21 section for a fiscal year not later than July 1 of that year.

22 “(e) SUPPLEMENT NOT SUPPLANT.—Funds made
23 available under this section shall be used to supplement
24 and not supplant any other Federal, State, or local edu-
25 cation funds.

1 “(f) CONSTRUCTION.—Nothing in this subpart shall
 2 be construed to prohibit a local educational agency that
 3 enters into cooperative arrangements with other local edu-
 4 cational agencies for the provision of special, compen-
 5 satory, or other education services pursuant to State law
 6 or a written agreement from entering into similar arrange-
 7 ments for the use or the coordination of the use of the
 8 funds made available under this section.

9 **“SEC. 1613. APPLICATIONS.**

10 “(a) IN GENERAL.—Each eligible local educational
 11 agency desiring to use funds for alternative uses under
 12 section 1611 or desiring a grant under section 1612 annu-
 13 ally shall submit an application to the Secretary at such
 14 time, in such manner, and accompanied by such informa-
 15 tion as the Secretary may require.

16 “(b) CONTENTS.—Each application submitted under
 17 subsection (a) shall—

18 “(1) describe the activities for which funds
 19 made available under this subpart will be used to
 20 raise student academic performance;

21 “(2) specify annual, measurable performance
 22 goals and objectives, at a minimum, for the activities
 23 assisted under this subpart with respect to—

24 “(A) increased student academic achieve-
 25 ment;

1 “(B) decreased gaps in achievement be-
2 tween minority and nonminority students, and
3 between economically disadvantaged and non-
4 economically disadvantaged students (unless the
5 Secretary determines the number of students in
6 a category is insufficient to yield statistically re-
7 liable information); and

8 “(C) other factors that the eligible local
9 educational agency may choose to measure; and

10 “(3) specify the extent to which such goals are
11 aligned with State content and student performance
12 standards;

13 “(4) describe how the eligible local educational
14 agency will—

15 “(A) measure the annual impact of activi-
16 ties described in paragraph (1) and the extent
17 to which the activities will increase student aca-
18 demic performance; and

19 “(B) hold elementary schools or secondary
20 schools using or receiving funds under this sub-
21 part accountable for meeting the annual, meas-
22 urable goals and objectives;

23 “(5) describe how the eligible local educational
24 agency will provide technical assistance for an ele-

1 elementary school or secondary school that does not
 2 meet the annual, measurable goals and objectives;

3 “(6) describe how the eligible local educational
 4 agency will take action against an elementary school
 5 or secondary school, if the school fails, over 2 con-
 6 secutive years, to meet the annual, measurable goals
 7 and objectives; and

8 “(7) in the case that the application describes
 9 alternative uses for funds under title II or III, speci-
 10 fy how the eligible local educational agency shall use
 11 the funds to meet the annual numerical performance
 12 objectives described in section 2104 or 3109, respec-
 13 tively.

14 **“SEC. 1614. ACCOUNTABILITY.**

15 “The Secretary, at the end of the third year that an
 16 eligible local educational agency uses funds in accordance
 17 with section 1611 or receives grant funds under section
 18 1612, shall permit only those eligible local educational
 19 agencies that meet their annual, measurable goals and ob-
 20 jectives described in section 1613(b)(2) and their perform-
 21 ance objectives described in section 2104 and 3109 for 2
 22 consecutive years to continue to so use funds or receive
 23 grant funds for the fourth or fifth fiscal years of participa-
 24 tion in the program under this subpart.

1 **“SEC. 1615. RATABLE REDUCTIONS IN CASE OF INSUFFI-**
2 **CIENT APPROPRIATIONS.**

3 “(a) IN GENERAL.—If the amount appropriated for
4 any fiscal year and made available for grants under sec-
5 tion 1612 is insufficient to pay the full amount for which
6 all agencies are eligible under this subpart, the Secretary
7 shall ratably reduce each such amount.

8 “(b) ADDITIONAL AMOUNTS.—If additional funds be-
9 come available for making payments under paragraph (1)
10 for such fiscal year, payments that were reduced under
11 subsection (a) shall be increased on the same basis as such
12 payments were reduced.

13 **“SEC. 1616. REPORTS.**

14 “(a) REPORTS FROM ELIGIBLE LOCAL EDU-
15 CATIONAL AGENCIES.—Each eligible local educational
16 agency making alternative use of funds under section
17 1611 or receiving a grant under section 1612 shall provide
18 an annual report to the Secretary. The report shall
19 describe—

20 “(1) how the agency used the funds made avail-
21 able under this subpart;

22 “(2) the degree to which progress has been
23 made toward meeting the annual, measurable goals
24 and objectives described in the agency’s application;
25 and

1 “(3) how the agency coordinated funds received
 2 under this subpart with other Federal, State, and
 3 local funds.

4 “(b) REPORT TO CONGRESS.—The Secretary shall
 5 prepare and submit to Congress an annual report setting
 6 forth the information provided to the Secretary pursuant
 7 to subsection (a).

8 **“Subpart 2—Low-Income and Rural School Program**

9 **“SEC. 1621. DEFINITIONS.**

10 “In this subpart:

11 “(1) POVERTY LINE.—The term ‘poverty line’
 12 means the poverty line (as defined by the Office of
 13 Management and Budget, and revised annually in
 14 accordance with section 673(2) of the Community
 15 Services Block Grant Act (42 U.S.C. 9902(2))) ap-
 16 plicable to a family of the size involved.

17 “(2) SPECIALLY QUALIFIED AGENCY.—The
 18 term ‘specially qualified agency’ means an eligible
 19 local educational agency, located in a State that does
 20 not participate in a program carried out under this
 21 subpart for a fiscal year, that applies directly to the
 22 Secretary for a grant for such year in accordance
 23 with section 1622(b).

24 **“SEC. 1622. PROGRAM AUTHORIZED.**

25 “(a) GRANTS TO STATES.—

1 “(1) IN GENERAL.—From the sum appro-
 2 priated under section 1603 for a fiscal year and
 3 made available to carry out this subpart, the Sec-
 4 retary shall award grants, from allotments made
 5 under paragraph (2), to State educational agencies
 6 that have applications approved under section 1624
 7 to enable the State educational agencies to award
 8 grants to eligible local educational agencies for ac-
 9 tivities described in section 1114, 1115, 1116, 2207,
 10 3107, or 6006.

11 “(2) ALLOTMENT.—From the sum appropriated
 12 under section 1603 for a fiscal year and made avail-
 13 able to carry out this subpart, the Secretary shall
 14 allot to each State educational agency an amount
 15 that bears the same ratio to the sum as the number
 16 of students in average daily attendance at the
 17 schools served by eligible local educational agencies
 18 in the State for that fiscal year bears to the number
 19 of all such students at the schools served by eligible
 20 local educational agencies in all States for that fiscal
 21 year.

22 “(b) DIRECT GRANTS TO SPECIALLY QUALIFIED
 23 AGENCIES.—

24 “(1) NONPARTICIPATING STATE.—If a State
 25 educational agency elects not to participate in the

1 program carried out under this subpart or does not
 2 have an application approved under section 1624, a
 3 specially qualified agency in such State desiring a
 4 grant under this subpart may apply directly to the
 5 Secretary under section 1624 to receive a grant
 6 under this subpart.

7 “(2) DIRECT AWARDS TO SPECIALLY QUALI-
 8 FIED AGENCIES.—The Secretary may award, on a
 9 competitive basis, the amount the State educational
 10 agency is eligible to receive under subsection (a)(2)
 11 directly to specially qualified agencies in the State.

12 “(c) ADMINISTRATIVE COSTS.—A State educational
 13 agency that receives a grant under this subpart may not
 14 use more than 2 percent of the amount of the grant funds
 15 for State administrative costs.

16 **“SEC. 1623. STATE DISTRIBUTION OF FUNDS.**

17 “(a) IN GENERAL.—A State educational agency that
 18 receives a grant under this subpart shall use the funds
 19 made available through the grant to award grants to eligi-
 20 ble local educational agencies to enable the local edu-
 21 cational agencies to carry out activities described in sec-
 22 tion 1114, 1115, 1116, 2207, 3107, or 6006.

23 “(b) LOCAL AWARDS.—A local educational agency
 24 shall be eligible to receive a grant under this subpart if—

1 “(1) 20 percent or more of the children age 5
 2 through 17 that are served by the local educational
 3 agency are from families with incomes below the
 4 poverty line; and

5 “(2) all of the schools served by the local edu-
 6 cational agency are located in a community with a
 7 Rural-Urban Continuum Code of 6, 7, 8, or 9, as
 8 determined by the Secretary of Agriculture.

9 “(c) AWARD BASIS.—The State educational agency
 10 shall award the grants to eligible local educational
 11 agencies—

12 “(1) according to a formula based on the num-
 13 ber of students in average daily attendance at
 14 schools served by the eligible local educational agen-
 15 cies; or

16 “(2) on a competitive basis if distribution by
 17 formula is impracticable as determined by the State
 18 educational agency.

19 **“SEC. 1624. APPLICATIONS.**

20 “(a) IN GENERAL.—Each State educational agency
 21 desiring a grant under section 1622(a) and each specially
 22 qualified agency desiring a grant under section 1622(b)
 23 shall submit an application to the Secretary at such time,
 24 in such manner, and accompanied by such information as
 25 the Secretary may require.

1 “(b) CONTENTS.—Each application submitted under
2 subsection (a) shall—

3 “(1) specify annual, measurable performance
4 goals and objectives for the activities assisted under
5 this subpart, at a minimum, with respect to—

6 “(A) increased student academic achieve-
7 ment;

8 “(B) decreased gaps in achievement be-
9 tween minority and non-minority students, and
10 between economically disadvantaged and non-
11 economically disadvantaged students (unless the
12 Secretary determines the number of students in
13 a category is insufficient to yield statistically re-
14 liable information); and

15 “(C) other factors that the State edu-
16 cational agency or eligible local educational
17 agency may choose to measure;

18 “(2) describe how the State educational agency
19 or specially qualified agency will hold local edu-
20 cational agencies and elementary schools or sec-
21 ondary schools receiving funds under this subpart
22 accountable for meeting the annual, measurable
23 goals and objectives;

24 “(3) describe how the State educational agency
25 or specially qualified agency will provide technical

1 assistance for a local educational agency, an elemen-
 2 tary school, or a secondary school that does not meet
 3 the annual, measurable goals and objectives; and

4 “(4) describe how the State educational agency
 5 or specially qualified agency will take action against
 6 a local educational agency, an elementary school, or
 7 a secondary school, if the local educational agency or
 8 school fails, over 2 consecutive years, to meet the
 9 annual, measurable goals and objectives.

10 **“SEC. 1625. USES OF FUNDS.**

11 “Grant funds awarded to eligible local educational
 12 agencies under this subpart shall be used for—

13 “(1) educational technology activities;

14 “(2) high quality professional development for
 15 teachers and principals;

16 “(3) technical assistance;

17 “(4) recruitment and retention of fully qualified
 18 teachers, as defined in section 2002, and highly
 19 qualified principals;

20 “(5) parental involvement activities; or

21 “(6) other programs or activities that—

22 “(A) seek to raise the academic achieve-
 23 ment levels of all elementary school and sec-
 24 ondary school students; and

1 “(B) are based on State content and stu-
2 dent performance standards.

3 **“SEC. 1626. ACCOUNTABILITY.**

4 “The Secretary, at the end of the third year that a
5 State educational agency or specially qualified agency re-
6 ceives grant funds under this subpart, shall permit only
7 those State educational agencies and specially qualified
8 agencies that meet their annual, measurable goals and ob-
9 jectives for 2 consecutive years to continue to receive grant
10 funds for the fourth or fifth fiscal years of the program
11 under this subpart.

12 **“SEC. 1627. REPORTS AND STUDY.**

13 “(a) STATE REPORTS.—Each State educational
14 agency that receives a grant under this subpart shall pro-
15 vide an annual report to the Secretary. The report shall
16 describe—

17 “(1) the method the State educational agency
18 used to award grants to eligible local educational
19 agencies and to provide assistance to elementary
20 schools and secondary schools under this subpart;

21 “(2) how eligible local educational agencies, ele-
22 mentary schools, and secondary schools within the
23 State used the grant funds provided under this sub-
24 part; and

1 “(3) the degree to which progress has been
2 made toward meeting the annual, measurable goals
3 and objectives described in the State application.

4 “(b) REPORTS FROM ELIGIBLE LOCAL EDU-
5 CATIONAL AGENCIES.—Each eligible local educational
6 agency receiving a grant under this subpart shall provide
7 an annual report to the Secretary. Such report shall
8 describe—

9 “(1) how the agency used the grant funds;

10 “(2) the degree to which progress has been
11 made toward meeting the annual, measurable goals
12 and objectives described in the agency’s application;
13 and

14 “(3) how the agency coordinated funds received
15 under this subpart with other Federal, State, and
16 local funds.

17 “(c) REPORT TO CONGRESS.—The Secretary shall
18 prepare and submit to Congress an annual report setting
19 forth the information provided to the Secretary pursuant
20 to subsections (a) and (b).

21 “(d) STUDY.—The Comptroller General of the United
22 States shall conduct a study regarding the impact of as-
23 sistance provided under this subpart on student achieve-
24 ment, and shall submit such study to Congress.

1 **“SEC. 1628. SUPPLEMENT NOT SUPPLANT.**

2 “Funds made available under this subpart shall be
3 used to supplement and not supplant any other Federal,
4 State, or local education funds.

5 **“SEC. 1629. SPECIAL RULE.**

6 “No local educational agency may concurrently par-
7 ticipate in activities carried out under subpart 1 and ac-
8 tivities carried out under this subpart.”.

9 **Subtitle G—General Provisions**

10 **SEC. 181. STATE ADMINISTRATION.**

11 Section 1703 (20 U.S.C. 6513) (as redesignated by
12 section 171(2)) is amended by striking subsection (c).

13 **SEC. 182. DEFINITIONS.**

14 Part G of title I (20 U.S.C. 6511 et seq.) (as redesign-
15 ated by section 171(1)) is amended by adding at the end
16 the following:

17 **“SEC. 1705. DEFINITIONS.**

18 “In this title:

19 “(1) **FULLY QUALIFIED.**—The term ‘fully quali-
20 fied’ has the meaning given such term in section
21 2002.

22 “(2) **LOW-PERFORMING STUDENT.**—The term
23 ‘low-performing student’ means a student who per-
24 forms below a State’s basic level of performance de-
25 scribed in the State standards described in section
26 1111(b)(1).

1 “(3) SCIENTIFICALLY BASED RESEARCH.—Ex-
2 cept as provided in section 1502, the term ‘scientif-
3 ically based research’—

4 “(A) means the application of rigorous,
5 systematic, and objective procedures; and

6 “(B) shall include research that—

7 “(i) employs systematic, empirical
8 methods that draw on observation or ex-
9 periment;

10 “(ii) involves rigorous data analyses
11 that are adequate to test stated hypotheses
12 and justify the general conclusions drawn;

13 “(iii) relies on measurements or obser-
14 vational methods that provide valid data
15 across evaluators and observers and across
16 multiple measurements and observations;
17 and

18 “(iv) has been accepted by a journal
19 that uses peer review or approved by a
20 panel of independent experts through a
21 comparably rigorous, objective, and sci-
22 entific review.”.

1 **TITLE II—TEACHER AND PRIN-**
 2 **CIPAL QUALITY, PROFES-**
 3 **SIONAL DEVELOPMENT, AND**
 4 **CLASS SIZE**

5 **SEC. 201. TEACHER AND PRINCIPAL QUALITY, PROFES-**
 6 **SIONAL DEVELOPMENT, AND CLASS SIZE.**

7 Title II (20 U.S.C. 6601 et seq.) is amended to read
 8 as follows:

9 **“TITLE II—TEACHER AND PRIN-**
 10 **CIPAL QUALITY, PROFES-**
 11 **SIONAL DEVELOPMENT, AND**
 12 **CLASS SIZE**

13 **“SEC. 2001. PURPOSE.**

14 “The purpose of this title is to provide grants to
 15 State educational agencies and local educational agencies
 16 in order to assist their efforts to increase student academic
 17 achievement through such strategies as improving teacher
 18 and principal quality, increasing professional development,
 19 and decreasing class size.

20 **“SEC. 2002. DEFINITIONS.**

21 “In this title:

22 “(1) CHARTER SCHOOL.—The term ‘charter
 23 school’ has the meaning given the term in section
 24 4210.

1 “(2) CORE ACADEMIC SUBJECT.—The term
 2 ‘core academic subject’, used with respect to a State,
 3 means English language arts, mathematics, science,
 4 and any other academic subject that the State deter-
 5 mines is a core academic subject.

6 “(3) FULLY QUALIFIED.—The term ‘fully quali-
 7 fied’ means—

8 “(A) in the case of an elementary school
 9 teacher (other than a teacher teaching in a pub-
 10 lic charter school or a middle school teacher), a
 11 teacher who, at a minimum—

12 “(i) has obtained State certification
 13 (which may include certification obtained
 14 through alternative means), or a State li-
 15 cense, to teach in the State in which the
 16 teacher teaches;

17 “(ii) holds a bachelor’s degree from
 18 an institution of higher education; and

19 “(iii) demonstrates the subject matter
 20 knowledge, teaching knowledge, and teach-
 21 ing skills required to teach effectively read-
 22 ing, writing, mathematics, science, social
 23 studies, and other elements of a liberal
 24 arts education;

1 “(B) in the case of a middle school or sec-
2 ondary school teacher (other than a teacher
3 teaching in a public charter school), a teacher
4 who, at a minimum—

5 “(i) has obtained State certification
6 (which may include certification obtained
7 through alternative means), or a State li-
8 cense, to teach in the State in which the
9 teacher teaches;

10 “(ii) holds a bachelor’s degree from
11 an institution of higher education; and

12 “(iii) demonstrates a high level of
13 competence in all academic subjects in
14 which the teacher teaches through—

15 “(I) completion of an academic
16 major (or courses totaling an equiva-
17 lent number of credit hours) in each
18 of the academic subjects in which the
19 teacher teaches;

20 “(II) in the case of a teacher who
21 is a mid-career professional entering
22 the teaching profession, achievement
23 of—

24 “(aa) a high level of per-
25 formance in other professional

1 employment experience relevant
2 to the core academic subjects
3 that the teacher teaches; and

4 “(bb) achievement of a level
5 of performance described in sub-
6 clause (III); or

7 “(III) achievement of a high level
8 of performance on rigorous academic
9 subject area tests administered by the
10 State in which the teacher teaches;
11 and

12 “(C) in the case of a teacher teaching in
13 a public charter school—

14 “(i) meets the requirements of State
15 law, if any, relating to certification or li-
16 censing to teach in the State in a charter
17 school;

18 “(ii) meets the requirements of State
19 law, if any, regarding holding a degree
20 from an institution of higher education to
21 teach in a charter school; and

22 “(iii)(I) in the case of an elementary
23 school teacher (other than a middle school
24 teacher), demonstrates the knowledge and
25 skills described in subparagraph (A)(iii); or

1 “(II) in the case of a middle school or
 2 secondary school teacher, demonstrates a
 3 high level of competence as described in
 4 subparagraph (B)(iii).

5 “(4) INSTITUTION OF HIGHER EDUCATION.—
 6 The term ‘institution of higher education’ means an
 7 institution of higher education, as defined in section
 8 101 of the Higher Education Act of 1965, that—

9 “(A) has not been identified as low-per-
 10 forming under section 208 of the Higher Edu-
 11 cation Act of 1965; and

12 “(B) is in full compliance with the public
 13 reporting requirements described in section 207
 14 of the Higher Education Act of 1965.

15 “(5) LOW-PERFORMING STUDENT.—The term
 16 ‘low-performing student’ means a student who,
 17 based on multiple measures, performs at or below a
 18 State’s basic level of performance for the student’s
 19 grade level, as described in the State student per-
 20 formance standards described in section 1111(b)(1).

21 “(6) OUTLYING AREA.—The term ‘outlying
 22 area’ means the United States Virgin Islands,
 23 Guam, American Samoa, and the Commonwealth of
 24 the Northern Mariana Islands.

1 “(7) POVERTY LINE.—The term ‘poverty line’
2 means the income official poverty line (as defined by
3 the Office of Management and Budget, and revised
4 annually in accordance with section 673(2) of the
5 Community Services Block Grant Act) applicable to
6 a family of the size involved, for the most recent
7 year for which satisfactory data are available.

8 “(8) SCHOOL-AGE POPULATION.—The term
9 ‘school-age population’ means the population aged 5
10 through 17, as determined on the basis of the most
11 recent satisfactory data.

12 “(9) SCIENTIFICALLY BASED RESEARCH.—The
13 term ‘scientifically based research’ has the meaning
14 given the term in section 1705.

15 “(10) STATE.—The term ‘State’ means each of
16 the several States in the United States, the District
17 of Columbia, and the Commonwealth of Puerto Rico.

18 “(11) STATE EDUCATIONAL AGENCY.—The
19 term ‘State educational agency’ means the entity or
20 agency designated under the laws of a State as re-
21 sponsible for teacher certification or licensing in the
22 State.

1 **“PART A—TEACHER AND PRINCIPAL QUALITY**
 2 **AND PROFESSIONAL DEVELOPMENT**

3 **“SEC. 2101. PROGRAM AUTHORIZED.**

4 “(a) GRANTS AUTHORIZED.—The Secretary shall
 5 award a grant, from an allotment made under subsection
 6 (b), to each State educational agency having a State plan
 7 approved under section 2103, to enable the State edu-
 8 cational agency to raise the quality of, and provide profes-
 9 sional development opportunities for, public elementary
 10 school and secondary school teachers, principals, and ad-
 11 ministrators.

12 “(b) RESERVATIONS AND ALLOTMENTS.—

13 “(1) RESERVATIONS.—From the amount appro-
 14 priated under section 2114 to carry out this part for
 15 each fiscal year, the Secretary shall reserve—

16 “(A) $\frac{1}{2}$ of 1 percent of such amount for
 17 payments to the Bureau of Indian Affairs for
 18 activities, approved by the Secretary, consistent
 19 with this part;

20 “(B) $\frac{1}{2}$ of 1 percent of such amount for
 21 payments to outlying areas, to be allotted in ac-
 22 cordance with their respective needs for assist-
 23 ance under this part as determined by the Sec-
 24 retary, for activities, approved by the Secretary,
 25 consistent with this part; and

1 “(C) such sums as may be necessary to
 2 continue to support any multiyear partnership
 3 program award made under part A, C, or D (as
 4 such part was in effect on the day before the
 5 date of enactment of the Public Education Re-
 6 investment, Reinvention, and Responsibility
 7 Act) until the termination of the multiyear
 8 award.

9 “(2) STATE ALLOTMENTS.—From the amount
 10 appropriated under section 2114 for a fiscal year
 11 and remaining after the Secretary makes reserva-
 12 tions under paragraph (1), the Secretary shall allot
 13 to each State having a State plan approved under
 14 section 2103 the sum of—

15 “(A) an amount that bears the same rela-
 16 tionship to 50 percent of the remainder as the
 17 school-age population from families with in-
 18 comes below the poverty line in the State bears
 19 to the school-age population from families with
 20 incomes below the poverty line in all States; and

21 “(B) an amount that bears the same rela-
 22 tionship to 50 percent of the remainder as the
 23 school-age population in the State bears to the
 24 school-age population in all States.

1 “(c) STATE MINIMUM.—For any fiscal year, no State
 2 shall be allotted under this section an amount that is less
 3 than $\frac{1}{2}$ of 1 percent of the total amount allotted to all
 4 States under subsection (b)(2).

5 “(d) HOLD-HARMLESS AMOUNTS.—For fiscal year
 6 2002, notwithstanding subsection (b)(2), the amount al-
 7 lotted to each State under subsection (b)(2) shall be not
 8 less than 100 percent of the total amount the State was
 9 allotted under part B (as such part was in effect on the
 10 day before the date of enactment of the Public Education
 11 Reinvestment, Reinvention, and Responsibility Act) for
 12 fiscal year 2001.

13 “(e) RATABLE REDUCTIONS.—If the sums made
 14 available under subsection (b)(2) for any fiscal year are
 15 insufficient to pay the full amounts that all States are eli-
 16 gible to receive under subsection (d) for such year, the
 17 Secretary shall ratably reduce such amounts for such year.

18 **“SEC. 2102. WITHIN-STATE ALLOCATION.**

19 “(a) IN GENERAL.—Each State educational agency
 20 for a State receiving a grant under section 2101(a) shall—

21 “(1) set aside 15 percent of the grant funds to
 22 award educator partnership grants under section
 23 2113;

1 “(2) set aside not more than 5 percent of the
2 grant funds to carry out activities described in the
3 State plan submitted under section 2103; and

4 “(3) using the remaining 80 percent of the
5 grant funds, make subgrants by allocating to each
6 local educational agency in the State the sum of—

7 “(A) an amount that bears the same rela-
8 tionship to 60 percent of the remainder as the
9 school-age population from families with in-
10 comes below the poverty line in the area served
11 by the local educational agency bears to the
12 school-age population from families with in-
13 comes below the poverty line in the area served
14 by all local educational agencies in the State;
15 and

16 “(B) an amount that bears the same rela-
17 tionship to 40 percent of the remainder as the
18 school-age population in the area served by the
19 local educational agency bears to the school-age
20 population in the area served by all local edu-
21 cational agencies in the State.

22 “(b) HOLD-HARMLESS AMOUNTS.—

23 “(1) FISCAL YEAR 2002.—For fiscal year 2002,
24 notwithstanding subsection (a), the amount allocated
25 to each local educational agency under this section

1 shall be not less than 100 percent of the total
2 amount the local educational agency was allocated
3 under part B (as such part was in effect on the day
4 before the date of enactment of the Public Edu-
5 cation Reinvestment, Reinvention, and Responsibility
6 Act) for fiscal year 2001.

7 “(2) FISCAL YEAR 2003.—For fiscal year 2003,
8 notwithstanding subsection (a), the amount allocated
9 to each local educational agency under this section
10 shall be not less than 85 percent of the amount allo-
11 cated to the local educational agency under this sec-
12 tion for fiscal year 2002.

13 “(3) FISCAL YEARS 2004–2006.—For each of fis-
14 cal years 2004 through 2006, notwithstanding sub-
15 section (a), the amount allocated to each local edu-
16 cational agency under this section shall be not less
17 than 70 percent of the amount allocated to the local
18 educational agency under this section for the pre-
19 vious fiscal year.

20 “(c) RATABLE REDUCTIONS.—If the sums made
21 available under subsection (a)(3) for any fiscal year are
22 insufficient to pay the full amounts that all local edu-
23 cational agencies are eligible to receive under subsection
24 (b) for such year, the State educational agency shall rat-
25 ably reduce such amounts for such year.

1 **“SEC. 2103. STATE PLANS.**

2 “(a) PLAN REQUIRED.—

3 “(1) COMPREHENSIVE STATE PLAN.—The State
4 educational agency shall submit a State plan to the
5 Secretary at such time, in such manner, and con-
6 taining such information as the Secretary may re-
7 quire. If the State educational agency (as defined in
8 section 8101) is not the entity or agency designated
9 under the laws of the State as responsible for teach-
10 er certification or licensing in the State, then the
11 plan shall be developed in consultation with the
12 State educational agency. The entity or agency shall
13 provide annual evidence of such consultation to the
14 Secretary.

15 “(2) CONSOLIDATED PLAN.—A State plan sub-
16 mitted under paragraph (1) may be submitted as
17 part of a consolidated plan under section 8302.

18 “(b) CONTENTS.—Each plan submitted under sub-
19 section (a) shall—

20 “(1) describe how the State educational agency
21 is taking reasonable steps to—

22 “(A) reform teacher certification, recertifi-
23 cation, or licensure requirements to ensure
24 that—

25 “(i) teachers have the necessary sub-
26 ject matter knowledge, teaching knowledge,

1 and teaching skills in the academic sub-
2 jects that the teachers teach;

3 “(ii) such requirements are aligned
4 with the challenging State content stand-
5 ards;

6 “(iii) teachers have the knowledge and
7 skills necessary to help students meet the
8 challenging State student performance
9 standards;

10 “(iv) such requirements take into ac-
11 count the need, as determined by the State
12 educational agency, for greater access to,
13 and participation in, the teaching profes-
14 sion by individuals from historically under-
15 represented groups; and

16 “(v) teachers have the necessary tech-
17 nological skills to integrate technology
18 more effectively in the teaching of content
19 required by State and local standards in all
20 academic subjects that the teachers teach;

21 “(B) develop and implement rigorous test-
22 ing procedures for teachers, as described in
23 subparagraphs (A)(iii) and (B)(iii)(IV) of sec-
24 tion 2002(3), to ensure that the teachers have
25 the subject matter knowledge, teaching knowl-

1 edge, and teaching skills necessary to teach ef-
2 fectively the content required by State and local
3 standards in the academic subjects that the
4 teachers teach;

5 “(C) establish, expand, or improve alter-
6 native routes to State certification of teachers,
7 especially in the areas of mathematics and
8 science, for highly qualified individuals with a
9 baccalaureate degree, including mid-career pro-
10 fessionals from other occupations, paraprofes-
11 sionals, former military personnel, and recent
12 college or university graduates who have
13 records of academic distinction and who dem-
14 onstrate the potential to become highly effective
15 teachers;

16 “(D) reduce emergency teacher certifi-
17 cation;

18 “(E) develop and implement effective pro-
19 grams, and provide financial assistance, to as-
20 sist local educational agencies, elementary
21 schools, and secondary schools in effectively re-
22 cruiting and retaining fully qualified teachers
23 and principals, particularly in schools that have
24 the lowest proportion of fully qualified teachers

1 or the highest proportion of low-performing stu-
2 dents;

3 “(F) provide professional development pro-
4 grams that meet the requirements described in
5 section 2109;

6 “(G) provide programs that are designed
7 to assist new teachers during their first 3 years
8 of teaching, such as mentoring programs that—

9 “(i) provide mentoring to new teach-
10 ers from veteran teachers with expertise in
11 the same academic subject as the new
12 teachers are teaching;

13 “(ii) provide mentors time for activi-
14 ties such as coaching, observing, and as-
15 sisting teachers who are being mentored;
16 and

17 “(iii) use standards or assessments
18 that are consistent with the State’s student
19 performance standards and the require-
20 ments for professional development activi-
21 ties described in section 2109 in order to
22 guide the new teachers;

23 “(H) provide technical assistance to local
24 educational agencies in developing and imple-

1 menting activities described in section 2108;
2 and

3 “(I) ensure that programs in core aca-
4 demic subjects, particularly in mathematics and
5 science, will take into account the need for
6 greater access to, and participation in, such
7 core academic subjects by students from histori-
8 cally underrepresented groups, including fe-
9 males, minorities, individuals with limited
10 English proficiency, the economically disadvan-
11 taged, and individuals with disabilities, by in-
12 corporating pedagogical strategies and tech-
13 niques that meet such students’ educational
14 needs;

15 “(2) describe the activities for which assistance
16 is sought under the grant, and how such activities
17 will improve students’ academic achievement and
18 close academic achievement gaps of economically dis-
19 advantaged, minority, and limited English proficient
20 students;

21 “(3) describe how the State educational agency
22 will establish annual numerical performance objec-
23 tives under section 2104 for improving the qualifica-
24 tions of teachers and the professional development of
25 teachers, principals, and administrators;

1 “(4) contain an assurance that the State edu-
2 cational agency consulted with local educational
3 agencies, education-related community groups, non-
4 profit organizations, parents, teachers, school admin-
5 istrators, local school boards, institutions of higher
6 education in the State, and content specialists in es-
7 tablishing the performance objectives described in
8 section 2104;

9 “(5) describe how the State educational agency
10 will hold local educational agencies, elementary
11 schools, and secondary schools accountable for meet-
12 ing the performance objectives described in section
13 2104 and for reporting annually on the local edu-
14 cational agencies’ and schools’ progress in meeting
15 the performance objectives;

16 “(6) describe how the State educational agency
17 will ensure that a local educational agency receiving
18 a subgrant under section 2102 will comply with the
19 requirements of this part;

20 “(7) provide an assurance that the State edu-
21 cational agency will require each local educational
22 agency, elementary school, or secondary school re-
23 ceiving funds under this part to report publicly the
24 local educational agency’s or school’s annual

1 progress with respect to the performance objectives
2 described in section 2104; and

3 “(8) describe how the State educational agency
4 will coordinate professional development activities
5 provided under the program carried out under this
6 part with professional development activities pro-
7 vided under other Federal, State, and local pro-
8 grams, including programs authorized under titles I
9 and III and, where appropriate, the Individuals with
10 Disabilities Education Act and the Carl D. Perkins
11 Vocational and Technical Education Act of 1998.

12 “(c) SECRETARY APPROVAL.—The Secretary, after
13 using a peer review process, shall approve a State plan
14 if the plan meets the requirements of this section.

15 “(d) DURATION OF THE PLAN.—

16 “(1) IN GENERAL.—Each State plan shall—

17 “(A) remain in effect for the duration of
18 the State educational agency’s participation
19 under this part; and

20 “(B) be periodically reviewed and revised
21 by the State educational agency, as necessary,
22 to reflect changes to the agency’s strategies and
23 programs carried out under this part.

24 “(2) ADDITIONAL INFORMATION.—If a State
25 educational agency receiving a grant under this part

1 makes significant changes to the State plan, such as
2 the adoption of new performance objectives, the
3 agency shall submit information regarding the sig-
4 nificant changes to the Secretary.

5 **“SEC. 2104. STATE PERFORMANCE OBJECTIVES.**

6 “(a) IN GENERAL.—Each State educational agency
7 receiving a grant under this part shall establish annual
8 numerical performance objectives with respect to progress
9 in improving the qualifications of teachers and the profes-
10 sional development of teachers, principals, and administra-
11 tors. For each annual numerical performance objective es-
12 tablished, the agency shall specify an incremental percent-
13 age increase for the objective to be attained for each fiscal
14 year (after the first fiscal year) for which the agency re-
15 ceives a grant under this part, relative to the preceding
16 fiscal year.

17 “(b) REQUIRED OBJECTIVES.—At a minimum, the
18 annual numerical performance objectives described in sub-
19 section (a) shall include an incremental increase in the
20 percentage of—

21 “(1) classes in core academic subjects that are
22 being taught by fully qualified teachers;

23 “(2) new teachers and principals receiving pro-
24 fessional development support, including mentoring

1 during the teachers' and principals' first 3 years of
2 employment as teachers and principals, respectively;

3 “(3) teachers, principals, and administrators
4 participating in high quality professional develop-
5 ment programs that are consistent with section
6 2109; and

7 “(4) fully qualified teachers teaching in the
8 State, to ensure that all teachers teaching in such
9 State are fully qualified by December 31, 2006.

10 “(c) REQUIREMENT FOR FULLY QUALIFIED TEACH-
11 ERS.—Each State educational agency receiving a grant
12 under this part shall ensure that all public elementary
13 school and secondary school teachers in the State are fully
14 qualified not later than December 31, 2006.

15 “(d) ACCOUNTABILITY.—

16 “(1) IN GENERAL.—Each State educational
17 agency receiving a grant under this part shall be
18 held accountable for—

19 “(A) meeting the State's annual numerical
20 performance objectives; and

21 “(B) meeting the reporting requirements
22 described in section 4401.

23 “(2) SANCTIONS.—Any State educational agen-
24 cy that fails to meet the requirement described in

1 paragraph (1)(A) shall be subject to sanctions under
2 section 7101.

3 “(e) SPECIAL RULE.—Notwithstanding any other
4 provision of law, the provisions of subsection (c) shall not
5 supersede State laws governing public charter schools.

6 **“SEC. 2105. STATE OPTIONAL ACTIVITIES.**

7 “(a) IN GENERAL.—Each State educational agency
8 receiving a grant under section 2101(a) may use the grant
9 funds described in section 2102(a)(2)—

10 “(1) to develop and implement a system to
11 measure the effectiveness of specific professional de-
12 velopment programs and strategies;

13 “(2) to increase the portability of teacher pen-
14 sions and reciprocity of teaching certification or li-
15 censure among States, except that no reciprocity
16 agreement developed under this section may lead to
17 the weakening of any State teacher certification or
18 licensing requirement;

19 “(3) to develop or assist local educational agen-
20 cies in the development and utilization of proven, in-
21 novative strategies to deliver intensive professional
22 development programs that are cost effective and
23 easily accessible, such as programs offered through
24 the use of technology and distance learning;

1 “(4) to provide assistance to local educational
2 agencies for the development and implementation of
3 innovative professional development programs that
4 train teachers to use technology to improve teaching
5 and learning and that are consistent with the re-
6 quirements of section 2109;

7 “(5) to provide professional development to en-
8 able teachers to ensure that female students, minor-
9 ity students, limited English proficient students, stu-
10 dents with disabilities, and economically disadvan-
11 taged students have the full opportunity to meet
12 challenging State content and performance stand-
13 ards in the core academic subjects;

14 “(6) to increase the number of persons who are
15 women, minorities, or individuals with disabilities,
16 who teach in the State, who are fully qualified, and
17 who teach in core academic subjects in which such
18 persons are underrepresented;

19 “(7) to increase the number of highly qualified
20 women, minorities, and individuals from other
21 underrepresented groups who are involved in the ad-
22 ministration of elementary schools and secondary
23 schools within the State; and

1 “(8) to create a statewide online leadership net-
 2 work for principals to communicate with other prin-
 3 cipals in order to share ideas and solve problems.

4 “(b) COORDINATION.—Each State that receives a
 5 grant under this part and a grant under section 202 of
 6 the Higher Education Act of 1965 shall coordinate the
 7 activities the State carries out under such section 202 with
 8 the activities the State educational agency carries out
 9 under this section.

10 **“SEC. 2106. STATE ADMINISTRATIVE EXPENSES.**

11 “Each State educational agency receiving a grant
 12 under section 2101(a) may use not more than 5 percent
 13 of the amount set aside in section 2102(a)(2) for a fiscal
 14 year for the cost of—

15 “(1) planning and administering the activities
 16 described in section 2103(b); and

17 “(2) administration relating to making sub-
 18 grants to local educational agencies under section
 19 2102.

20 **“SEC. 2107. LOCAL PLANS.**

21 “(a) IN GENERAL.—Each local educational agency
 22 desiring a subgrant from the State educational agency
 23 under section 2102(a)(3) shall submit a local plan to the
 24 State educational agency—

1 “(1) at such time, in such manner, and con-
2 taining such information as the State educational
3 agency may require; and

4 “(2) that describes how the local educational
5 agency will coordinate the activities for which the
6 agency seeks the subgrant with other programs car-
7 ried out under this Act, or other Acts, as appro-
8 priate.

9 “(b) LOCAL PLAN CONTENTS.—The local plan de-
10 scribed in subsection (a) shall, at a minimum—

11 “(1) describe how the local educational agency
12 will use the subgrant funds to meet the State per-
13 formance objectives for teacher qualifications and
14 professional development described in section 2104;

15 “(2) describe how the local educational agency
16 will hold elementary schools and secondary schools
17 accountable for meeting the requirements described
18 in this part;

19 “(3) contain an assurance that the local edu-
20 cational agency will target funds to the elementary
21 schools and secondary schools served by the local
22 educational agency that—

23 “(A) have the lowest proportion of fully
24 qualified teachers; and

1 “(B) are identified for school improvement
2 and corrective action under section 1116;

3 “(4) describe how the local educational agency
4 will coordinate professional development activities
5 authorized under section 2108(a) with professional
6 development activities provided through other Fed-
7 eral, State, and local programs, including those au-
8 thorized under titles I and III and, where applicable,
9 the Individuals with Disabilities Education Act and
10 the Carl D. Perkins Vocational and Technical Edu-
11 cation Act of 1998; and

12 “(5) describe how the local educational agency
13 has collaborated with teachers, principals, parents,
14 and administrators in the preparation of the local
15 plan.

16 **“SEC. 2108. LOCAL ACTIVITIES.**

17 “(a) IN GENERAL.—Each local educational agency
18 receiving a subgrant under section 2102(a)(3) shall use
19 the subgrant funds to—

20 “(1) support professional development activities,
21 for—

22 “(A) teachers, in at least the areas of
23 reading, mathematics, and science; and

24 “(B) teachers, principals, and administra-
25 tors in order to provide such individuals with

1 the knowledge and skills to provide all students,
2 including female students, minority students,
3 limited English proficient students, students
4 with disabilities, and economically disadvan-
5 taged students, with the opportunity to meet
6 challenging State content and student perform-
7 ance standards;

8 “(2) provide professional development to teach-
9 ers, principals, and administrators to enhance the
10 use of technology within elementary schools and sec-
11 ondary schools in order to deliver more effective cur-
12 riculum instruction;

13 “(3) recruit and retain fully qualified teachers
14 and highly qualified principals, particularly for ele-
15 mentary schools and secondary schools located in
16 areas with high percentages of low-performing stu-
17 dents and students from families with incomes below
18 the poverty line;

19 “(4) recruit and retain fully qualified teachers
20 and highly qualified principals to serve in the ele-
21 mentary schools and secondary schools with the
22 highest percentages of low-performing students,
23 through activities such as—

1 “(A) mentoring programs for newly hired
2 teachers, including programs provided by mas-
3 ter teachers, and for newly hired principals; and

4 “(B) programs that provide other incen-
5 tives, including financial incentives, to retain—

6 “(i) teachers who have a record of
7 success in helping low-performing students
8 improve those students’ academic success;
9 and

10 “(ii) principals who have a record of
11 improving the performance of all students,
12 or significantly narrowing the gaps be-
13 tween minority students and nonminority
14 students, and economically disadvantaged
15 students and noneconomically disadvan-
16 tagged students, within the elementary
17 schools or secondary schools served by the
18 principals;

19 “(5) provide professional development that in-
20 corporates effective strategies, techniques, methods,
21 and practices for meeting the educational needs of
22 diverse groups of students, including female stu-
23 dents, minority students, students with disabilities,
24 limited English proficient students, and economically
25 disadvantaged students; and

1 “(6) provide professional development for men-
2 tal health professionals, including school psycholo-
3 gists, school counselors, and school social workers,
4 that is focused on enhancing the skills and knowl-
5 edge of such individuals so that the individuals may
6 help students exhibiting distress (through conduct
7 such as substance abuse, disruptive behavior, and
8 suicidal behavior) meet the challenging State student
9 performance standards.

10 “(b) OPTIONAL ACTIVITIES.—Each local educational
11 agency receiving a subgrant under section 2102(a)(3) may
12 use the subgrant funds—

13 “(1) to provide a signing bonus or other finan-
14 cial incentive, such as differential pay, for—

15 “(A) a fully qualified teacher to teach in
16 an academic subject for which there exists a
17 shortage of fully qualified teachers within the
18 elementary school or secondary school in which
19 the teacher teaches or within the elementary
20 schools and secondary schools served by the
21 local educational agency;

22 “(B) a fully qualified teacher or a highly
23 qualified principal in a school in which there
24 is—

1 “(i) a large percentage of students
2 from economically disadvantaged families;
3 or

4 “(ii) a high percentage of low-per-
5 forming students; or

6 “(C) a teacher who has met the National
7 Education Technology Standards, as developed
8 by the Department of Education and the Inter-
9 national Society for Technology in Education,
10 or has obtained an information technology cer-
11 tification that is directly related to the cur-
12 riculum or subject area that the teacher teach-
13 es;

14 “(2) to establish programs that—

15 “(A) recruit professionals into teaching
16 from other fields and provide such professionals
17 with alternative routes to teacher certification,
18 especially in the areas of mathematics, science,
19 and English language arts; and

20 “(B) provide increased teaching and ad-
21 ministration opportunities for fully qualified fe-
22 males, minorities, individuals with disabilities,
23 and other individuals underrepresented in the
24 teaching or school administration professions;
25 and

1 “(3) to establish programs and activities that
2 are designed to improve the quality of the teacher
3 and principal force, such as innovative professional
4 development programs (which may be provided
5 through partnerships, including partnerships with
6 institutions of higher education), and including pro-
7 grams that—

8 “(A) train teachers and principals to uti-
9 lize technology to improve teaching and learn-
10 ing;

11 “(B) develop principals by helping schools
12 identify school leaders and invest in their pro-
13 fessional development; and

14 “(C) are provided in a manner consistent
15 with the requirements of section 2019;

16 “(4) to provide collaboratively designed per-
17 formance pay systems for teachers and principals
18 that encourage teachers and principals to work to-
19 gether to raise student performance;

20 “(5) to establish professional development pro-
21 grams that provide instruction in how to teach stu-
22 dents with different learning styles, particularly stu-
23 dents with disabilities and students with special
24 learning needs (including students who are gifted
25 and talented);

1 “(6) to establish professional development pro-
 2 grams that provide instruction in how best to dis-
 3 cipline students in the classroom, and to identify
 4 early and appropriate interventions to help students
 5 described in paragraph (5) learn;

6 “(7) to provide professional development pro-
 7 grams that provide instruction in how to teach char-
 8 acter education in a manner that—

9 “(A) reflects the values of parents, teach-
 10 ers, and local communities; and

11 “(B) incorporates elements of good char-
 12 acter, including honesty, citizenship, courage,
 13 justice, respect, personal responsibility, and
 14 trustworthiness;

15 “(8) to provide scholarships or other incentives
 16 to assist teachers in attaining national board certifi-
 17 cation;

18 “(9) to support activities designed to provide ef-
 19 fective professional development for teachers of lim-
 20 ited English proficient students;

21 “(10) to establish other activities designed—

22 “(A) to improve professional development
 23 for teachers, principals, and administrators; and

24 “(B) to recruit and retain fully qualified
 25 teachers and highly qualified principals;

1 “(11) to establish master teacher programs to
2 increase teacher salaries and employee benefits for
3 teachers who enter into contracts with the local edu-
4 cational agency to serve as master teachers in the
5 public schools, in accordance with the requirements
6 of subsection (c); and

7 “(12) to carry out professional development ac-
8 tivities that consist of—

9 “(A) instruction in the use of data and as-
10 sessments to provide information and instruc-
11 tion for classroom practice;

12 “(B) instruction in ways that teachers,
13 principals, pupil services personnel, and school
14 administrators may work more effectively with
15 parents;

16 “(C) the formation of partnerships with in-
17 stitutions of higher education to establish
18 school-based teacher training programs that
19 provide prospective teachers and new teachers
20 with an opportunity to work under the guidance
21 of experienced teachers and college faculty;

22 “(D) the creation of career ladder pro-
23 grams for paraprofessionals, who are assisting
24 teachers under this part, to obtain the edu-

1 cation necessary for such paraprofessionals to
2 become certified and licensed teachers;

3 “(E) instruction in ways to teach special
4 needs students;

5 “(F) joint professional development activi-
6 ties involving teachers, principals, and adminis-
7 trators eligible to participate in programs under
8 this part, and personnel from Head Start pro-
9 grams, Even Start programs, or State preschool
10 programs;

11 “(G) instruction in experiential-based
12 teaching methods such as service-learning or
13 applied learning; and

14 “(H) mentoring programs focusing on
15 changing teacher behaviors and practices—

16 “(i) to help new teachers, including
17 teachers who are members of a minority
18 group, develop and gain confidence in their
19 skills;

20 “(ii) to increase the likelihood that the
21 new teachers will continue in the teaching
22 profession; and

23 “(iii) to improve the quality of their
24 teaching.

1 “(c) REQUIREMENTS FOR MASTER TEACHER PRO-
2 GRAMS.—

3 “(1) DEFINITION.—In this subsection, the term
4 ‘master teacher’ means a teacher who—

5 “(A) is certified or licensed under State
6 law;

7 “(B) has been teaching for at least 5 years
8 in a public or private school or institution of
9 higher education;

10 “(C) is selected to serve as a master teach-
11 er on the basis of an application and rec-
12 ommendations by administrators and other
13 teachers;

14 “(D) at the time of submission of such ap-
15 plication, is teaching in a public school;

16 “(E) assists other teachers in improving
17 instructional strategies, improves the skills of
18 other teachers, performs mentoring, develops
19 curricula, and provides other professional devel-
20 opment; and

21 “(F) enters into a contract with the local
22 educational agency involved to continue to teach
23 and serve as a master teacher for at least 5
24 years.

1 “(2) REQUIREMENTS FOR MASTER TEACHER
2 CONTRACTS.—

3 “(A) IN GENERAL.—A local educational
4 agency that establishes a master teacher pro-
5 gram under subsection (b)(11) shall negotiate
6 the terms of contracts of master teachers with
7 the local labor organizations that represent
8 teachers in the school district served by that
9 agency.

10 “(B) BREACH.—A contract with a master
11 teacher entered into under this paragraph shall
12 specify that a breach of the contract shall be
13 deemed to have occurred if the master teacher
14 voluntarily withdraws from the program, termi-
15 nates the contract, or is dismissed by the local
16 educational agency for nonperformance of du-
17 ties, subject to the requirements of any statu-
18 tory or negotiated due process procedures that
19 may apply.

20 “(C) REPAYMENT.—The contract shall re-
21 quire, in the event of a breach of the contract
22 described in subparagraph (B), that the teacher
23 repay the local educational agency all funds
24 provided to the teacher under the contract.

1 “(d) REQUIREMENTS.—Professional development
 2 provided under this section shall be provided in a manner
 3 consistent with section 2109.

4 **“SEC. 2109. PROFESSIONAL DEVELOPMENT FOR TEACHERS.**

5 “(a) LIMITATION RELATING TO CURRICULA AND
 6 ACADEMIC SUBJECTS.—In deciding how to use subgrant
 7 funds allocated under section 2102(a)(3) to support a pro-
 8 fessional development activities for teachers, a local edu-
 9 cational agency shall first use the funds to support activi-
 10 ties that—

11 “(1) are directly related to the curricula and
 12 academic subjects that the teachers teach; or

13 “(2) are designed to enhance the ability of the
 14 teachers to understand and use the State’s chal-
 15 lenging content standards for the academic subjects
 16 that the teachers teach; or

17 “(3) provide instruction in methods of dis-
 18 ciplining students.

19 “(b) PROFESSIONAL DEVELOPMENT ACTIVITY.—A
 20 professional development activity carried out under this
 21 part shall—

22 “(1) be measured, in terms of progress de-
 23 scribed in section 2104(a), using the specific per-
 24 formance objectives established by the State edu-
 25 cational agency in accordance with section 2104;

1 “(2) be tied to challenging State or local con-
2 tent standards and student performance standards;

3 “(3) be tied to scientifically based research
4 demonstrating the effectiveness of such activity in
5 increasing student achievement or substantially in-
6 creasing the subject matter knowledge, teaching
7 knowledge, and teaching skills of teachers;

8 “(4) be of sufficient intensity and duration (not
9 to include such activities as 1-day or short-term
10 workshops and conferences) to have a positive and
11 lasting impact on teachers’ performance in the class-
12 room, except that this paragraph shall not apply to
13 an activity that is 1 component described in a long-
14 term comprehensive professional development plan—

15 “(A) established by a teacher and the
16 teacher’s supervisor; and

17 “(B) based on an assessment of the needs
18 of the teacher, the teacher’s students, and the
19 local educational agency involved;

20 “(5) be developed with extensive participation
21 of teachers, principals, parents, administrators, and
22 local school boards of elementary schools and sec-
23 ondary schools to be served under this part, and in-
24 stitutions of higher education in the State involved,
25 and, with respect to any professional development

1 program described in paragraph (6) or (7) of section
2 2108(b), shall, if applicable, be developed with exten-
3 sive coordination with, and participation of, profes-
4 sionals with expertise in such type of professional
5 development;

6 “(6) to the extent appropriate, provide training
7 for teachers regarding using technology and applying
8 technology effectively in the classroom, to improve
9 teaching and learning concerning the curricula and
10 academic subjects that the teachers teach; and

11 “(7) be directly related to the academic subjects
12 that the teachers teach and the State content stand-
13 ards.

14 “(c) ACCOUNTABILITY.—

15 “(1) IN GENERAL.—A State educational agency
16 shall notify a local educational agency that the local
17 educational agency may be subject to the action de-
18 scribed in paragraph (3) if, after any fiscal year, the
19 State educational agency determines that the pro-
20 grams or activities funded by the agency under this
21 part fail to meet the requirements of subsections (a)
22 and (b).

23 “(2) TECHNICAL ASSISTANCE.—A local edu-
24 cational agency that has received notification pursu-
25 ant to paragraph (1) may request technical assist-

1 ance from the State educational agency and an op-
2 portunity for such local educational agency to com-
3 ply with the requirements of subsections (a) and (b).

4 “(3) STATE EDUCATIONAL AGENCY ACTION.—If
5 a State educational agency determines that a local
6 educational agency failed to carry out the local edu-
7 cational agency’s responsibilities under subsections
8 (a) and (b), the State educational agency shall take
9 such action as the agency determines to be nec-
10 essary, consistent with this section, to provide, or di-
11 rect the local educational agency to provide, high-
12 quality professional development for teachers, prin-
13 cipals, and administrators.

14 **“SEC. 2110. PARENTS’ RIGHT TO KNOW.**

15 “Each local educational agency receiving a subgrant
16 under section 2102(a)(3) shall meet the reporting require-
17 ments with respect to teacher qualifications described in
18 section 4401(f).

19 **“SEC. 2111. LOCAL ADMINISTRATIVE EXPENSES.**

20 “Each local educational agency receiving a subgrant
21 under section 2102(a)(3) may use not more than 1.5 per-
22 cent of the subgrant funds for a fiscal year for the cost
23 of administering activities under this part.

1 **“SEC. 2112. GENERAL ACCOUNTING OFFICE STUDY.**

2 “Not later than September 30, 2005, the Comptroller
3 General of the United States shall prepare and submit to
4 the Committee on Education and the Workforce of the
5 House of Representatives and the Committee on Health,
6 Education, Labor, and Pensions of the Senate a report
7 setting forth information regarding—

8 “(1) the progress of States’ in achieving compli-
9 ance concerning increasing the percentage of fully
10 qualified teacher, for fiscal years 2002 through
11 2004;

12 “(2) any obstacles to achieving that compliance;
13 and

14 “(3) the approximate percentage of Federal,
15 State, and local resources being expended to carry
16 out activities to attract and retain fully qualified
17 teachers, especially in geographic areas and core
18 academic subjects in which a shortage of such teach-
19 ers exists.

20 **“SEC. 2113. EDUCATOR PARTNERSHIP GRANTS.**

21 “(a) SUBGRANTS.—

22 “(1) IN GENERAL.—A State educational agency
23 receiving a grant under section 2101(a) shall award
24 subgrants, on a competitive basis, from amounts
25 made available under section 2102(a)(1), to local
26 educational agencies, elementary schools, and sec-

1 ondary schools, that have formed educator partner-
 2 ships, for the design and implementation of pro-
 3 grams that will enhance professional development
 4 opportunities for teachers, principals, and adminis-
 5 trators, and will increase the number of fully quali-
 6 fied teachers.

7 “(2) ALLOCATIONS.—A State educational agen-
 8 cy awarding subgrants under this subsection shall
 9 allocate the subgrant funds on a competitive basis
 10 and in a manner that results in an equitable dis-
 11 tribution of the subgrant funds by geographic areas
 12 within the State.

13 “(b) EDUCATOR PARTNERSHIPS.—An educator part-
 14 nership described in subsection (a) shall be a coalition es-
 15 tablished by a cooperative arrangement between—

16 “(1) a public elementary school or secondary
 17 school (including a charter school), or a local edu-
 18 cational agency; and

19 “(2) 1 or more of the following:

20 “(A) An institution of higher education.

21 “(B) An educational service agency.

22 “(C) A public or private not-for-profit edu-
 23 cation organization.

24 “(D) A for-profit education organization.

1 “(E) An entity from outside the traditional
2 education arena, including a corporation or con-
3 sulting firm.

4 “(c) USE OF FUNDS.—An educator partnership re-
5 ceiving a subgrant under this section shall use the
6 subgrant funds for 1 or more activities consisting of—

7 “(1) developing and enhancing professional de-
8 velopment activities for teachers in core academic
9 subjects to ensure that the teachers have subject
10 matter knowledge in the academic subjects that the
11 teachers teach;

12 “(2) developing and enhancing professional de-
13 velopment activities for mathematics and science
14 teachers to ensure that such teachers have the sub-
15 ject matter knowledge to teach mathematics and
16 science;

17 “(3) developing and providing assistance to
18 local educational agencies and elementary schools
19 and secondary schools for sustained, high-quality
20 professional development activities for teachers, prin-
21 cipals, and administrators, that—

22 “(A) ensure that teachers, principals, and
23 administrators are able to use State content
24 standards, performance standards, and assess-

1 ments to improve instructional practices and
2 student achievement; and

3 “(B) may include intensive programs de-
4 signed to prepare a teacher who participates in
5 such a program to provide professional develop-
6 ment instruction to other teachers within the
7 participating teacher’s school;

8 “(4) increasing the number of fully qualified
9 teachers available to provide high-quality education
10 to limited English proficient students by—

11 “(A) working with institutions of higher
12 education that offer degree programs, to attract
13 more people into such programs, and to prepare
14 better new teachers who are English language
15 teachers to provide effective language instruc-
16 tion to limited English proficient students; and

17 “(B) supporting development and imple-
18 mentation of professional development pro-
19 grams for language instruction teachers to im-
20 prove the language proficiency of limited
21 English proficient students;

22 “(5) developing and implementing professional
23 development activities for principals and administra-
24 tors to enable the principals and administrators to
25 be effective school leaders and to improve student

1 achievement on challenging State content and stu-
2 dent performance standards, including professional
3 development relating to—

4 “(A) leadership skills;

5 “(B) recruitment, assignment, retention,
6 and evaluation of teachers and other staff;

7 “(C) effective instructional practices, in-
8 cluding the use of technology; and

9 “(D) parental and community involvement;
10 and

11 “(6) providing activities that enhance profes-
12 sional development opportunities for teachers, prin-
13 cipals, and administrators or will increase the num-
14 ber of fully qualified teachers.

15 “(d) APPLICATION REQUIRED.—Each educator part-
16 nership desiring a subgrant under this section shall submit
17 an application to the appropriate State educational agency
18 at such time, in such manner, and containing such infor-
19 mation as the State educational agency may reasonably
20 require.

21 “(e) ADMINISTRATIVE EXPENSES.—Each educator
22 partnership receiving a subgrant under this section may
23 use not more than 5 percent of the subgrant funds for
24 a fiscal year for the cost of planning and administering
25 programs under this section.

1 “(f) COORDINATION.—Each educator partnership
 2 that receives a subgrant under this section and a grant
 3 under section 203 of the Higher Education Act of 1965
 4 shall coordinate the activities carried out under such sec-
 5 tion 203 with any related activities carried out under this
 6 section.

7 **“SEC. 2114. AUTHORIZATION OF APPROPRIATIONS.**

8 “There are authorized to be appropriated to carry out
 9 this part \$2,000,000,000 for fiscal year 2002 and such
 10 sums as may be necessary for each of the 4 succeeding
 11 fiscal years.

12 **“PART B—CLASS SIZE REDUCTION**

13 **“SEC. 2201. FINDINGS.**

14 “Congress makes the following findings:

15 “(1) Rigorous research has shown that, in the
 16 early elementary school grades, students attending
 17 small classes make more rapid educational gains
 18 than students in larger classes, and that those gains
 19 persist through at least the eighth grade.

20 “(2) The benefits of smaller classes are greatest
 21 for lower-achieving, minority, poor, and inner-city
 22 children, as demonstrated by a study that found that
 23 urban fourth graders in smaller-than-average classes
 24 were $\frac{3}{4}$ of a school year ahead of their counterparts
 25 in larger-than-average classes.

1 “(3) Teachers in small classes can provide stu-
2 dents with more individualized attention, spend more
3 time on instruction and less time on other tasks, and
4 cover more material effectively, and are better able
5 to work with parents to further their children’s edu-
6 cation, than teachers in large classes.

7 “(4) Smaller classes allow teachers to identify
8 and work with students who have learning disabil-
9 ities sooner than is possible with larger classes, po-
10 tentially reducing those students’ needs for special
11 education services in the later grades.

12 “(5) The National Research Council report,
13 ‘Preventing Reading Difficulties in Young Children’,
14 recommends reducing class sizes, accompanied by
15 providing high-quality professional development for
16 teachers, as a strategy for improving student
17 achievement in reading.

18 “(6) Some research has shown that class size
19 reduction efforts are most effective in the early ele-
20 mentary school grades.

21 “(7) Efforts to improve educational outcomes
22 by reducing class sizes in the early elementary school
23 grades are likely to be successful only if well-quali-
24 fied teachers are hired to fill additional classroom

1 positions, and if teachers receive intensive, ongoing
2 professional development.

3 “(8) Several States and school districts have
4 begun serious efforts to reduce class sizes in the
5 early elementary school grades, but those efforts
6 may be impeded by financial limitations or difficul-
7 ties in hiring highly qualified teachers.

8 “(9) The Federal Government can assist in
9 those efforts by providing funding for class size re-
10 ductions in grades 1 through 3, and by helping to
11 ensure that both new and current teachers who are
12 moving into smaller classrooms are well prepared.

13 **“SEC. 2202. PURPOSES.**

14 “The purposes of this part are—

15 “(1) to help States and local educational agen-
16 cies to reduce class sizes with fully qualified teach-
17 ers;

18 “(2) to enable local educational agencies to
19 carry out effective approaches to reducing class sizes
20 with fully qualified teachers; and

21 “(3) to improve educational achievement for
22 children in regular classes and special needs chil-
23 dren, and particularly to improve that achievement
24 by reducing class sizes in the early elementary school
25 grades.

1 **“SEC. 2203. ALLOTMENTS TO STATES.**

2 “(a) RESERVATIONS FOR THE OUTLYING AREAS AND
 3 THE BUREAU OF INDIAN AFFAIRS.—From the amount
 4 appropriated under section 2212 for any fiscal year, the
 5 Secretary shall reserve a total of not more than 1 percent
 6 to make payments to—

7 “(1) outlying areas, to be allotted in accordance
 8 with their respective needs for assistance under this
 9 part as determined by the Secretary, for activities,
 10 approved by the Secretary, consistent with this part;
 11 and

12 “(2) the Secretary of the Interior for activities
 13 approved by the Secretary of Education, consistent
 14 with this part, in schools operated or supported by
 15 the Bureau of Indian Affairs, on the basis of their
 16 respective needs.

17 “(b) ALLOTMENTS TO STATES.—

18 “(1) IN GENERAL.—

19 “(A) FISCAL YEAR 2002.—From the
 20 amount appropriated under section 2212 for
 21 fiscal year 2002 and remaining after the Sec-
 22 retary makes reservations under subsection (a),
 23 the Secretary shall make grants to State edu-
 24 cational agencies by allotting to each State hav-
 25 ing a State application approved under section
 26 2204(c) an amount that bears the same rela-

1 tionship to the remainder as the greater of the
2 amounts that the State received for the pre-
3 ceding fiscal year under sections 1122 and
4 2202(b) (as such sections were in effect on the
5 day before the date of enactment of the Public
6 Education Reinvestment, Reinvention, and Re-
7 sponsibility Act) bears to the total of the great-
8 er amounts that all States received under such
9 sections for fiscal year 2001.

10 “(B) FISCAL YEAR 2003 AND SUBSEQUENT
11 FISCAL YEARS.—From the amount appropriated
12 under section 2212 for fiscal year 2003 or a
13 subsequent fiscal year and remaining after the
14 Secretary makes reservations under subsection
15 (a), the Secretary shall make grants to State
16 educational agencies by allotting to each State
17 having a State application approved under sec-
18 tion 2204(c) an amount that bears the same re-
19 lationship to the remainder as the greater of
20 the amounts that the State received for the pre-
21 ceding fiscal year as described in section 1122
22 and this section bears to the total of the greater
23 amounts that all States received under such
24 sections for the preceding fiscal year.

1 “(2) REALLOTMENT.—If any State chooses not
2 to participate in the program carried out under this
3 part, or fails to submit an approvable application
4 under this part, the Secretary shall reallocate the
5 amount that such State would have received under
6 paragraph (1) to States having applications ap-
7 proved under section 2204(c), in accordance with
8 paragraph (1).

9 **“SEC. 2204. STATE APPLICATIONS.**

10 “(a) APPLICATIONS REQUIRED.—The State edu-
11 cational agency for each State desiring a grant under this
12 part shall submit an application to the Secretary at such
13 time, in such manner, and containing such information as
14 the Secretary may require.

15 “(b) CONTENTS.—The application shall include—

16 “(1) a description of the State’s goals for using
17 funds under this part to reduce average class sizes
18 in regular classrooms in grades 1 through 3, includ-
19 ing a description of class sizes in those classrooms,
20 for each local educational agency in the State (as of
21 the date of submission of the application);

22 “(2) a description of how the State educational
23 agency will allocate program funds made available
24 through the grant within the State;

1 “(3) a description of how the State educational
2 agency will use other funds, including other Federal
3 funds, to reduce class sizes and to improve teacher
4 quality and reading achievement within the State;
5 and

6 “(4) an assurance that the State educational
7 agency will submit to the Secretary such reports and
8 information as the Secretary may reasonably re-
9 quire.

10 “(c) APPROVAL OF APPLICATIONS.—The Secretary
11 shall approve a State application submitted under this sec-
12 tion if the application meets the requirements of this sec-
13 tion and holds reasonable promise of achieving the pur-
14 poses of this part.

15 “(d) NOTIFICATION.—Not later than 30 days after
16 the date of enactment of the Public Education Reinvest-
17 ment, Reinvention, and Responsibility Act, the Secretary
18 shall provide specific notification to each local educational
19 agency eligible to receive funds under this part regarding
20 the flexibility provided under section 2207(b)(2)(B) and
21 the ability to use such funds to carry out activities de-
22 scribed in section 2207(b)(1)(C).

1 **“SEC. 2205. WITHIN-STATE ALLOCATIONS.**

2 “(a) ALLOCATIONS TO LOCAL EDUCATIONAL AGEN-
3 CIES.—Each State educational agency receiving a grant
4 under this part for a fiscal year—

5 “(1) may reserve not more than 1 percent of
6 the grant funds for the cost of administering this
7 part; and

8 “(2) using the remaining funds, shall make sub-
9 grants by allocating to each local educational agency
10 in the State the sum of—

11 “(A) an amount that bears the same rela-
12 tionship to 80 percent of the remainder as the
13 school-age population from families with in-
14 comes below the poverty line in the area served
15 by the local educational agency bears to the
16 school-age population from families with in-
17 comes below the poverty line in the area served
18 by all local educational agencies in the State;
19 and

20 “(B) an amount that bears the same rela-
21 tionship to 20 percent of the remainder as the
22 enrollment of the school-age population in pub-
23 lic and private nonprofit elementary schools and
24 secondary schools in the area served by the
25 local educational agency bears to the enrollment
26 of the school-age population in public and pri-

1 vate nonprofit elementary schools and sec-
2 ondary schools in the area served by all local
3 educational agencies in the State.

4 “(b) REALLOCATION.—If any local educational agen-
5 cy chooses not to participate in the program carried out
6 under this part, or fails to submit an approvable applica-
7 tion under this part, the State educational agency shall
8 reallocate the amount such local educational agency would
9 have received under subsection (a) to local educational
10 agencies having applications approved under section
11 2206(b), in accordance with subsection (a).

12 **“SEC. 2206. LOCAL APPLICATIONS.**

13 “(a) IN GENERAL.—Each local educational agency
14 desiring a subgrant under section 2205(a) shall submit an
15 application to the appropriate State educational agency at
16 such time, in such manner, and containing such informa-
17 tion as the State educational agency may require, includ-
18 ing a description of the local educational agency’s program
19 to reduce class sizes by hiring additional fully qualified
20 teachers.

21 “(b) APPROVAL OF APPLICATIONS.—The State edu-
22 cational agency shall approve a local agency application
23 submitted under this section if the application meets the
24 requirements of this section and holds reasonable promise
25 of achieving the purposes of this part.

1 **“SEC. 2207. USES OF FUNDS.**

2 “(a) ADMINISTRATIVE EXPENSES.—Each local edu-
3 cational agency receiving a subgrant under section
4 2205(a) may use not more than 3 percent of the subgrant
5 funds for a fiscal year for the cost of administering this
6 part.

7 “(b) LOCAL ACTIVITIES.—

8 “(1) IN GENERAL.—Each local educational
9 agency receiving a subgrant under section 2205(a)
10 may use the subgrant funds for—

11 “(A) recruiting (including recruiting
12 through the use of signing bonuses, and other
13 financial incentives), hiring, and training fully
14 qualified regular and special education teachers
15 (which may include hiring special education
16 teachers to team-teach with regular teachers in
17 classrooms that contain both students with dis-
18 abilities and other students) and fully qualified
19 teachers of special-needs students;

20 “(B) testing new teachers for subject mat-
21 ter knowledge and satisfaction of State certifi-
22 cation or licensing requirements consistent with
23 title II of the Higher Education Act of 1965;
24 and

25 “(C) providing professional development
26 (which may include such activities as the activi-

ties described in section 2108, opportunities for teachers to attend multiweek institutes, such as institutes offered during the summer months that provide intensive professional development in partnership with local educational agencies, and initiatives that promote retention and mentoring) to teachers, including special education teachers and teachers of special-needs students, in order to meet the goal of ensuring that all teachers have the necessary subject matter knowledge, teaching knowledge, and teaching skills to teach effectively the academic subjects that the teachers teach, consistent with title II of the Higher Education Act of 1965.

“(2) LIMITATIONS.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), a local educational agency may use not more than a total of 25 percent of the subgrant funds for activities described in subparagraphs (B) and (C) of paragraph (1).

“(B) EXCEPTION.—

“(i) IN GENERAL.—A local educational agency may use a portion equal to more than 25 percent of the subgrant funds for activities described in paragraph

1 (1)(C) if 10 percent or more of the teach-
2 ers in elementary schools served by the
3 agency—

4 “(I) have not met applicable
5 State and local certification require-
6 ments (including certification through
7 State or local alternative routes); or

8 “(II) are teachers for whom the
9 requirements have been waived.

10 “(ii) USE OF FUNDS.—The local edu-
11 cational agency shall use the portion re-
12 ferred to in clause (i)—

13 “(I) to help teachers who are not
14 certified or licensed by the State be-
15 come certified or licensed, including
16 certification through State or local al-
17 ternative routes; or

18 “(II) to help teachers affected by
19 class size reduction who lack sufficient
20 subject matter knowledge to teach ef-
21 fectively the academic subjects that
22 the teachers teach, to obtain that
23 knowledge.

24 “(iii) NOTIFICATION.—To be eligible
25 to use the portion of the funds described in

1 clause (i) for objectives described in this
2 subparagraph, the local educational agency
3 shall notify the State educational agency of
4 the percentage of the funds that the local
5 educational agency will use for those objec-
6 tives.

7 “(3) ADDITIONAL USES.—

8 “(A) IN GENERAL.—A local educational
9 agency that has already reduced class size in
10 the early elementary school grades to 18 or
11 fewer students (or has already reduced class
12 size to a State or local class size reduction goal
13 that was in effect on the day before the date of
14 enactment of the Department of Education Ap-
15 propriations Act, 2000, if that State or local
16 goal is 20 or fewer students) may use the
17 subgrant funds—

18 “(i) to make further class size reduc-
19 tions in kindergarten or grade 1, 2, or 3;

20 “(ii) to reduce class size in other
21 grades; or

22 “(iii) to carry out activities to improve
23 teacher quality, including professional de-
24 velopment.

1 “(B) PROFESSIONAL DEVELOPMENT.—

2 Even if a local educational agency has already
 3 reduced class size in the early elementary school
 4 grades to 18 or fewer students and intends to
 5 use the subgrant funds to carry out activities to
 6 improve teacher quality, including professional
 7 development activities, the State educational
 8 agency shall make the subgrant under section
 9 2205 to the local educational agency.

10 “(c) SPECIAL RULE.—Notwithstanding subsection
 11 (b), if the amount of the subgrant made to a local edu-
 12 cational agency under section 2205 is less than the start-
 13 ing salary for a new fully qualified teacher teaching in a
 14 school served by that agency, the agency may use the
 15 subgrant funds to—

16 “(1) help pay the salary of a full- or part-time
 17 teacher hired to reduce class size, and may provide
 18 the funds in combination with other Federal, State,
 19 or local funds; or

20 “(2) pay for activities described in subsection
 21 (b), which may be related to teaching in smaller
 22 classes.

23 **“SEC. 2208. PRIVATE SCHOOLS.**

24 “If a local educational agency uses funds made avail-
 25 able under this part for professional development activi-

1 ties, the local educational agency shall ensure the equitable
2 participation of private nonprofit elementary schools and
3 secondary schools in such activities. Section 8503(b)(1)
4 shall not apply to other activities carried out under this
5 part.

6 **“SEC. 2209. TEACHER SALARIES AND BENEFITS.**

7 “A local educational agency may use grant funds pro-
8 vided under this part—

9 “(1) except as provided in paragraph (2), to in-
10 crease the salaries of, or provide benefits (other than
11 participation in professional development and enrich-
12 ment programs) to, teachers only if such teachers
13 were hired under this part; and

14 “(2) to pay the salaries of teachers hired with
15 funds made available under section 307 of the De-
16 partment of Education Appropriations Act, 1999 or
17 under section 310 of the Department of Education
18 Appropriations Act, 2000, who not later than the be-
19 ginning of the 2002–2003 school year, are fully
20 qualified.

21 **“SEC. 2210. STATE REPORT REQUIREMENTS.**

22 “(a) REPORT ON ACTIVITIES.—A State educational
23 agency receiving funds under this part shall submit a re-
24 port to the Secretary providing information about the ac-
25 tivities in the State assisted under this part.

1 “(b) REPORT TO PARENTS.—Each State educational
2 agency or local educational agency receiving funds under
3 this part shall publicly issue a report to parents of stu-
4 dents who attend schools assisted under this part
5 describing—

6 “(1) the agency’s progress in reducing class
7 size;

8 “(2) the agency’s progress in increasing the
9 percentage of classes in core academic areas that are
10 taught by fully qualified teachers; and

11 “(3) the impact, if any, that hiring additional
12 fully qualified teachers and reducing class size has
13 had on increasing student academic achievement in
14 schools served by the agency.

15 “(c) PROFESSIONAL QUALIFICATIONS REPORT.—
16 Upon the request of a parent of a student attending a
17 school receiving assistance under this part, such school
18 shall provide the parent with information regarding the
19 professional qualifications of the student’s teacher.

20 **“SEC. 2211. SUPPLEMENT NOT SUPPLANT.**

21 “Funds made available under this part shall be used
22 to supplement and not supplant State and local funds ex-
23 pended for activities described in this part.

1 **“SEC. 2212. AUTHORIZATION OF APPROPRIATIONS.**

2 “There are authorized to be appropriated to carry out
3 this part \$1,623,000,000 for fiscal year 2002, and such
4 sums as may be necessary for each of the 4 succeeding
5 fiscal years.”.

6 **TITLE III—LANGUAGE MINORITY**
7 **STUDENTS AND INDIAN, NA-**
8 **TIVE HAWAIIAN, AND ALASKA**
9 **NATIVE EDUCATION**

10 **SEC. 301. LANGUAGE MINORITY STUDENTS.**

11 Title III (20 U.S.C. 6801 et seq.) is amended—

12 (1) by amending the title heading for title III
13 to read as follows:

14 **“TITLE III—LANGUAGE MINOR-**
15 **ITY STUDENTS AND INDIAN,**
16 **NATIVE HAWAIIAN, AND ALAS-**
17 **KA NATIVE EDUCATION”;**

18 (2) by repealing section 3101 (20 U.S.C. 6801)
19 and part A (20 U.S.C. 6811 et seq.); and

20 (3) by inserting after the title heading for title
21 III (as amended by paragraph (1)) the following:

22 **“PART A—LANGUAGE MINORITY STUDENTS**

23 **“SEC. 3101. FINDINGS, POLICY, AND PURPOSE.**

24 “(a) FINDINGS.—Congress makes the following find-
25 ings:

1 “(1)(A) Educating limited English proficient
2 students is an urgent goal for many local edu-
3 cational agencies, but that goal is not being
4 achieved.

5 “(B) Each year, 640,000 limited English pro-
6 ficient students are not served by any sort of pro-
7 gram targeted to the students’ unique needs.

8 “(C) In 1998, only 15 percent of local edu-
9 cational agencies that applied for related funding
10 through enhancement grants and comprehensive
11 school grants received such funding.

12 “(2)(A) The school dropout rate for Hispanic
13 students, the largest group of limited English pro-
14 ficient students, is approximately 29 percent, and is
15 approximately 44 percent for Hispanics born outside
16 of the United States.

17 “(B) A Department of Education report re-
18 garding school dropout rates states that language
19 difficulty ‘may be a barrier to participation in
20 United States schools’.

21 “(C) Reading ability is a key predictor of grad-
22 uation and academic success.

23 “(3) Through fiscal year 2001, bilingual edu-
24 cation capacity and demonstration grants—

1 “(A) have spread funding too broadly to
2 make an impact on language instruction edu-
3 cational programs implemented by State edu-
4 cational agencies and local educational agencies;
5 and

6 “(B) have lacked concrete performance
7 measures.

8 “(4)(A) Since 1979, the number of limited
9 English proficient children in schools in the United
10 States has doubled to more than 3,000,000, and de-
11 mographic trends indicate the population of limited
12 English proficient children will continue to increase.

13 “(B) Language-minority students in the United
14 States speak virtually all world languages plus many
15 that are indigenous to the United States.

16 “(C) The rich linguistic diversity language-mi-
17 nority students bring to classrooms in the United
18 States enhances the learning environment for all
19 students and should be valued for the significant,
20 positive impact such diversity has on the entire
21 school environment.

22 “(D) Parent and community participation in
23 educational language programs for limited English
24 proficient students contributes to program effective-
25 ness.

1 “(E) The Federal Government has a special
2 and continuing obligation, as reflected in title VI of
3 the Civil Rights Act of 1964 and section 204(f) of
4 the Equal Educational Opportunities Act of 1974, to
5 ensure that States and local educational agencies
6 take appropriate action to provide equal educational
7 opportunities to limited English proficient children
8 and youth, and other children and youth.

9 “(F) The Federal Government also has a spe-
10 cial and continuing obligation to assist States and
11 local educational agencies, as exemplified by pro-
12 grams authorized under this title, to develop the ca-
13 pacity to provide programs of instruction that offer
14 equal educational opportunities to limited English
15 proficient children and youth, and other children and
16 youth.

17 “(5) Limited English proficient children and
18 youth face a number of challenges in receiving an
19 education that will enable the children and youth to
20 participate fully in society, including—

21 “(A) disproportionate attendance at high-
22 poverty schools, as demonstrated by the fact
23 that, in 1994, 75 percent of limited English
24 proficient students attended schools in which at

1 least half of all students were eligible for free
2 or reduced-price meals;

3 “(B) the limited ability of parents of such
4 children and youth to participate fully in the
5 education of their children because of the par-
6 ents’ own limited English proficiency;

7 “(C) a shortage of teachers and other staff
8 who are professionally trained and qualified to
9 serve such children and youth; and

10 “(D) lack of appropriate performance and
11 assessment standards that distinguish between
12 language ability and academic achievement so
13 that State educational agencies and local edu-
14 cational agencies are equally as accountable for
15 the achievement of limited English proficient
16 students in academic content while the students
17 are acquiring English language skills as the
18 agencies are for enabling the students to ac-
19 quire those skills.

20 “(b) POLICY.—It is the policy of the United States
21 that in order to ensure equal educational opportunity for
22 all children and youth, and to promote educational excel-
23 lence, the Federal Government should—

24 “(1) assist State educational agencies, local
25 educational agencies, and community-based organi-

1 zations to build their capacity to establish, imple-
2 ment, and sustain programs of instruction and
3 English language development for children and
4 youth of limited English proficiency;

5 “(2) hold State educational agencies and local
6 educational agencies accountable for increases in
7 English proficiency and core content knowledge
8 among limited English proficient students; and

9 “(3) promote parental and community partici-
10 pation in limited English proficiency programs.

11 “(c) PURPOSES.—The purposes of this part are—

12 “(1) to assist all limited English proficient stu-
13 dents to attain English proficiency;

14 “(2) to assist all limited English proficient stu-
15 dents to develop high levels of attainment in the core
16 academic subjects so that those students can meet
17 the same challenging State content standards and
18 challenging State student performance standards as
19 all students are expected to meet, as required by sec-
20 tion 1111(b)(1);

21 “(3) to assist local educational agencies to de-
22 velop and enhance their capacity to provide high
23 quality instruction in teaching limited English pro-
24 ficient students to attain the same high levels of aca-
25 demic achievement as other students; and

1 “(4) to provide the assistance described in para-
2 graphs (1), (2), and (3) by—

3 “(A) streamlining language instruction
4 educational programs into a program carried
5 out through a performance-based grant for
6 State and local educational agencies to help lim-
7 ited English proficient students become pro-
8 ficient in English;

9 “(B) increasing significantly the amount of
10 Federal assistance provided to local educational
11 agencies serving such students while requiring
12 that State educational agencies and local edu-
13 cational agencies—

14 “(i) demonstrate improvements in the
15 English proficiency of such students each
16 fiscal year; and

17 “(ii) make adequate yearly progress
18 with limited English proficient students in
19 the core academic subjects as described in
20 section 1111(b)(2); and

21 “(C) providing State educational agencies
22 and local educational agencies with the flexi-
23 bility to implement instructional programs, tied
24 to scientifically based research, that the agen-

1 cies believe to be the most effective for teaching
2 English.

3 **“SEC. 3102. DEFINITIONS.**

4 “Except as otherwise provided, in this part:

5 “(1) CORE ACADEMIC SUBJECT.—The term
6 ‘core academic subject’ has the meaning given the
7 term in section 2002.

8 “(2) LIMITED ENGLISH PROFICIENT STU-
9 DENT.—The term ‘limited English proficient stu-
10 dent’ means an individual aged 5 through 17 en-
11 rolled in an elementary school or secondary school—

12 “(A) who—

13 “(i) was not born in the United States
14 or whose native language is a language
15 other than English;

16 “(ii)(I) is a Native American or Alas-
17 ka Native, or a native resident of the out-
18 lying areas; and

19 “(II) comes from an environment
20 where a language other than English has
21 had a significant impact on such individ-
22 ual’s level of English language proficiency;
23 or

24 “(iii) is migratory, whose native lan-
25 guage is a language other than English,

1 and who comes from an environment where
 2 a language other than English is domi-
 3 nant; and

4 “(B) who has sufficient difficulty speaking,
 5 reading, writing, or understanding the English
 6 language, and whose difficulties may deny such
 7 individual—

8 “(i) the ability to meet the State’s
 9 proficient level of performance on State as-
 10 sessments described in section 1111(b)(4)
 11 in core academic subjects; or

12 “(ii) the opportunity to participate
 13 fully in society.

14 “(3) LANGUAGE INSTRUCTION EDUCATIONAL
 15 PROGRAM.—The term ‘language instruction edu-
 16 cational program’ means an instructional course in
 17 which a limited English proficient student is placed
 18 for the purpose of becoming proficient in the
 19 English language.

20 “(4) SCIENTIFICALLY BASED RESEARCH.—The
 21 term ‘scientifically based research’ has the meaning
 22 given the term in section 1705.

23 “(5) SPECIALLY QUALIFIED AGENCY.—The
 24 term ‘specially qualified agency’ means a local edu-

1 cational agency, in a State that does not participate
 2 in a program under this part for a fiscal year.

3 “(6) STATE.—The term ‘State’ means each of
 4 the several States of the United States, the District
 5 of Columbia, and the Commonwealth of Puerto Rico.

6 **“SEC. 3103. PROGRAM AUTHORIZED.**

7 “(a) GRANTS AUTHORIZED.—The Secretary shall
 8 award grants, from allotments under subsection (b), to
 9 each State having a State plan approved under section
 10 3105(c), to enable the State to help limited English pro-
 11 ficient students become proficient in English.

12 “(b) RESERVATIONS AND ALLOTMENTS.—

13 “(1) RESERVATIONS.—From the amount appro-
 14 priated under section 3111 to carry out this part for
 15 each fiscal year, the Secretary shall reserve—

16 “(A) $\frac{1}{2}$ of 1 percent of such amount for
 17 payments to the Secretary of the Interior for
 18 activities approved by the Secretary of Edu-
 19 cation, consistent with this part, in schools op-
 20 erated or supported by the Bureau of Indian
 21 Affairs, on the basis of their respective needs;
 22 and

23 “(B) $\frac{1}{2}$ of 1 percent of such amount for
 24 payments to outlying areas, to be allotted in ac-
 25 cordance with their respective needs for assist-

1 ance under this part as determined by the Sec-
2 retary, for activities, approved by the Secretary,
3 consistent with this part.

4 “(2) STATE ALLOTMENTS.—From the amount
5 appropriated under section 3111 for any of the fiscal
6 years 2002 through 2006 that remains after making
7 reservations under paragraph (1), the Secretary
8 shall allot to each State having a State plan ap-
9 proved under section 3105(c) an amount that bears
10 the same relationship to the remainder as the num-
11 ber of limited English proficient students in the
12 State bears to the number of limited English pro-
13 ficient students in all States.

14 “(3) DATA.—For the purpose of determining
15 the number of limited English proficient students in
16 a State and in all States for each fiscal year, the
17 Secretary shall use data that will yield the most ac-
18 curate, up-to-date numbers of such students,
19 including—

20 “(A) data available from the Bureau of the
21 Census; or

22 “(B) data submitted to the Secretary by
23 the States to determine the number of limited
24 English proficient students in a State and in all
25 States.

1 “(4) HOLD-HARMLESS AMOUNTS.—For fiscal
2 year 2002, and for each of the 4 succeeding fiscal
3 years, notwithstanding paragraph (2), the total
4 amount allotted to each State under this subsection
5 shall be not less than 85 percent of the total amount
6 the State was allotted under parts A and B of title
7 VII (as such title was in effect on the day before the
8 date of enactment of the Public Education Reinvest-
9 ment, Reinvention, and Responsibility Act) for fiscal
10 year 2001.

11 “(c) DIRECT AWARDS TO SPECIALLY QUALIFIED
12 AGENCIES.—

13 “(1) NONPARTICIPATING STATE.—If a State
14 educational agency for a fiscal year chooses not to
15 participate in a program under this part, or fails to
16 submit an approvable application under section
17 3105, a specially qualified agency in such State de-
18 siring a grant under this part for the fiscal year
19 shall apply directly to the Secretary to receive a
20 grant under this subsection.

21 “(2) DIRECT AWARDS.—The Secretary may
22 award, on a competitive basis, the amount the State
23 educational agency is eligible to receive under sub-
24 section (b)(2) directly to specially qualified agencies
25 in the State desiring a grant under this part and

1 having an application approved under section
2 3105(c).

3 “(3) ADMINISTRATIVE FUNDS.—A specially
4 qualified agency that receives a direct grant under
5 this subsection may use not more than 1 percent of
6 the grant funds for the administrative costs of car-
7 rying out this part in the first year the agency re-
8 ceives a grant under this subsection and 0.5 percent
9 of the funds for such costs in the second and each
10 succeeding fiscal year for which the agency receives
11 such a grant.

12 **“SEC. 3104. WITHIN-STATE ALLOCATIONS.**

13 “(a) GRANT AWARDS.—Each State educational agen-
14 cy receiving a grant under this part shall use 95 percent
15 of the grant funds to award subgrants, from allocations
16 under subsection (b), to local educational agencies in the
17 State to carry out the activities described in section 3107.

18 “(b) ALLOCATION FORMULA.—Each State edu-
19 cational agency receiving a grant under this part shall
20 award grants for a fiscal year by allocating to each local
21 educational agency in the State having a plan approved
22 under section 3106 in an amount that bears the same rela-
23 tionship to the amount of funds appropriated under sec-
24 tion 3111 for the fiscal year as the population of limited
25 English proficient students in schools served by the local

1 educational agency bears to the population of limited
2 English proficient students in schools served by all local
3 educational agencies in the State.

4 “(c) RESERVATIONS.—

5 “(1) STATE ACTIVITIES.—Each State edu-
6 cational agency or specially qualified agency receiv-
7 ing a grant under this part may reserve not more
8 than 5 percent of the grant funds to carry out ac-
9 tivities described in the State plan or specially quali-
10 fied agency plan submitted under section 3105.

11 “(2) ADMINISTRATIVE EXPENSES.—From the
12 amount reserved under paragraph (1), a State edu-
13 cational agency or specially qualified agency may use
14 not more than 2 percent for the planning costs and
15 administrative costs of carrying out the activities de-
16 scribed in the State plan or specially qualified agen-
17 cy plan and providing grants to local educational
18 agencies.

19 **“SEC. 3105. STATE AND SPECIALLY QUALIFIED AGENCY**
20 **PLANS.**

21 “(a) PLAN REQUIRED.—Each State educational
22 agency and specially qualified agency desiring a grant
23 under this part shall submit a plan to the Secretary at
24 such time, in such manner, and containing such informa-
25 tion as the Secretary may require.

1 “(b) CONTENTS.—Each State plan submitted under
2 subsection (a) shall—

3 “(1) describe how the State or specially quali-
4 fied agency will—

5 “(A)(i) establish standards and bench-
6 marks for English language development that
7 are aligned with the State content and student
8 performance standards described in section
9 1111(b)(1);

10 “(ii) establish the standards and bench-
11 marks for each of the 4 recognized domains of
12 speaking, listening, reading, and writing; and

13 “(iii) for each domain, establish at least 3
14 benchmarks, including benchmarks for perform-
15 ance that is not proficient, partially proficient
16 performance, and proficient performance;

17 “(B) develop high-quality, annual assess-
18 ments to measure English language proficiency,
19 including proficiency in the 4 recognized do-
20 mains of speaking, listening, reading, and writ-
21 ing; and

22 “(C) develop annual performance objec-
23 tives, based on the English language develop-
24 ment standards described in subparagraph (A),

1 to raise the level of English proficiency of each
2 limited English proficient student;

3 “(2) contain an assurance that the State edu-
4 cational agency or specially qualified agency con-
5 sulted with local educational agencies, education-re-
6 lated community groups and nonprofit organizations,
7 parents, teachers, school administrators, and
8 English language instruction specialists, in setting
9 the performance objectives;

10 “(3) describe how—

11 “(A) in the case of a State educational
12 agency, the State educational agency will hold
13 local educational agencies and elementary
14 schools and secondary schools accountable for—

15 “(i) meeting the performance objec-
16 tives described in section 3109 for English
17 proficiency in each of the 4 domains of
18 speaking, listening, reading, and writing;
19 and

20 “(ii) making adequate yearly progress
21 with limited English proficient students in
22 the core academic subjects as described in
23 section 1111(b)(2); and

1 “(B) in the case of a specially qualified
 2 agency, the agency will hold elementary schools
 3 and secondary schools accountable for—

4 “(i) meeting the performance objec-
 5 tives described in section 3109 for English
 6 proficiency in each of the 4 domains of
 7 speaking, listening, reading, and writing;
 8 and

9 “(ii) making adequate yearly progress,
 10 including meeting annual numerical goals
 11 for improving the performance of limited
 12 English proficient students on performance
 13 standards described in section
 14 1111(b)(1)(D)(ii);

15 “(4) describe the activities for which assistance
 16 is sought, and how the activities will increase the
 17 speed and effectiveness with which students learn
 18 English;

19 “(5) in the case of a State educational agency,
 20 describe how local educational agencies in the State
 21 will be given the flexibility to teach English—

22 “(A) using a language instruction cur-
 23 riculum that is tied to scientifically based re-
 24 search and has been demonstrated to be effec-
 25 tive; and

1 “(B) in the manner the local educational
2 agencies determine to be the most effective; and
3 “(6) describe how—

4 “(A) in the case of a State educational
5 agency, the State educational agency will—

6 “(i) provide technical assistance to
7 local educational agencies and elementary
8 schools and secondary schools for the pur-
9 poses of identifying and implementing
10 English language instruction educational
11 programs and curricula that are tied to
12 scientifically based research; and

13 “(ii) provide technical assistance to
14 local educational agencies and elementary
15 schools and secondary schools for the pur-
16 poses of helping limited English proficient
17 students meet the same challenging State
18 content standards and challenging State
19 student performance standards as all stu-
20 dents are expected to meet; and

21 “(B) in the case of a specially qualified
22 agency, the specially qualified agency will—

23 “(i) provide technical assistance to el-
24 ementary schools and secondary schools
25 served by the specially qualified agency for

1 the purposes of identifying and imple-
2 menting programs and curricula described
3 in subparagraph (A)(i); and

4 “(ii) provide technical assistance in el-
5 ementary schools and secondary schools
6 served by the specially qualified agency for
7 the purposes described in subparagraph
8 (A)(ii).

9 “(c) APPROVAL.—The Secretary, after using a peer
10 review process, shall approve a State plan or a specially
11 qualified agency plan if the plan meets the requirements
12 of this section, and holds reasonable promise of achieving
13 the purposes described in section 3101(c).

14 “(d) DURATION OF THE PLAN.—

15 “(1) IN GENERAL.—Each State plan or spe-
16 cially qualified agency plan shall—

17 “(A) remain in effect for the duration of
18 the State educational agency’s or specially
19 qualified agency’s participation under this part;
20 and

21 “(B) be periodically reviewed and revised
22 by the State educational agency or specially
23 qualified agency, as necessary, to reflect
24 changes to the State’s or specially qualified

1 agency’s strategies and programs carried out
2 under this part.

3 “(2) **ADDITIONAL INFORMATION.**—If the State
4 educational agency or specially qualified agency
5 makes significant changes to the plan, such as the
6 adoption of new performance objectives or assess-
7 ment measures, the State educational agency or spe-
8 cially qualified agency shall submit information re-
9 garding the significant changes to the Secretary.

10 “(e) **CONSOLIDATED PLAN.**—A State plan submitted
11 under subsection (a) may be submitted as part of a con-
12 solidated plan under section 8302.

13 “(f) **SECRETARY ASSISTANCE.**—Pursuant to section
14 7104(a)(3), the Secretary shall provide assistance, if re-
15 quired, in the development of English language develop-
16 ment standards and English language proficiency assess-
17 ments.

18 **“SEC. 3106. LOCAL PLANS.**

19 “(a) **PLAN REQUIRED.**—Each local educational agen-
20 cy desiring a grant from the State educational agency
21 under section 3104 shall submit a plan to the State edu-
22 cational agency at such time, in such manner, and con-
23 taining such information as the State educational agency
24 may require.

1 “(b) CONTENTS.—Each local educational agency plan
2 submitted under subsection (a) shall—

3 “(1) describe how the local educational agency
4 will use the grant funds to meet the English pro-
5 ficiency performance objectives described in section
6 3109;

7 “(2) describe how the local educational agency
8 will hold elementary schools and secondary schools
9 accountable for meeting the performance objectives;

10 “(3) contain an assurance that the local edu-
11 cational agency consulted with elementary schools
12 and secondary schools, education-related community
13 groups and nonprofit organizations, institutions of
14 higher education, parents, language instruction
15 teachers, school administrators, and English lan-
16 guage instruction specialists, in developing the local
17 educational agency plan;

18 “(4) describe how the local educational agency
19 will use the disaggregated results of the student as-
20 sessments required under section 1111(b)(4), and
21 other measures or indicators available to the agency,
22 to review annually the progress of each school served
23 by the agency under this part and under title I to
24 determine whether the schools are making the ade-
25 quate yearly progress necessary to ensure that lim-

1 ited English proficient students attending the
 2 schools will meet the State’s proficient level of per-
 3 formance on the State assessment described in sec-
 4 tion 1111(b)(4) within 10 years after the date of en-
 5 actment of the Public Education Reinvestment, Re-
 6 invention, and Responsibility Act; and

7 “(5) describe how the local educational agency
 8 will hold elementary schools and secondary schools
 9 accountable for making adequate yearly progress
 10 with limited English proficient students in the core
 11 academic subjects as described in section
 12 1111(b)(2).

13 **“SEC. 3107. USES OF FUNDS.**

14 “(a) ADMINISTRATIVE EXPENSES.—Each local edu-
 15 cational agency receiving a grant under section 3104 may
 16 use not more than 1 percent of the grant funds for a fiscal
 17 year for the cost of administering this part.

18 “(b) ACTIVITIES.—Each local educational agency re-
 19 ceiving grant funds under section 3104 shall use the grant
 20 funds that are not used under subsection (a)—

21 “(1) to increase limited English proficient stu-
 22 dents’ proficiency in English by providing high-qual-
 23 ity language instruction educational programs, such
 24 as bilingual education programs and transitional

1 education or English immersion education programs,
 2 that are—

3 “(A) tied to scientifically based research
 4 demonstrating the effectiveness of the programs
 5 in increasing English proficiency; and

6 “(B) approved by the State educational
 7 agency;

8 “(2) to provide high-quality professional devel-
 9 opment activities for teachers of limited English pro-
 10 ficient students that are—

11 “(A) designed to enhance the ability of
 12 such teachers to understand and use curricula,
 13 assessment measures, and instructional strate-
 14 gies for limited English proficient students;

15 “(B) tied to scientifically based research
 16 demonstrating the effectiveness of such activi-
 17 ties in increasing students’ English proficiency
 18 or substantially increasing the subject matter
 19 knowledge, teaching knowledge, and teaching
 20 skills of such teachers;

21 “(C) of sufficient intensity and duration
 22 (not to include activities such as 1-day or short-
 23 term workshops and conferences) to have a
 24 positive and lasting impact on the teachers’ per-
 25 formance in the classroom, except that this sub-

1 paragraph shall not apply to an activity that is
 2 1 component described in a long-term, com-
 3 prehensive professional development plan estab-
 4 lished by a teacher and the teacher’s supervisor
 5 based upon an assessment of the needs of the
 6 teacher, the supervisor, the students of the
 7 teacher, and the local educational agency;

8 “(3) to identify, acquire, and upgrade curricula,
 9 instructional materials, educational software, and as-
 10 sessment procedures; and

11 “(4) to provide parent and community partici-
 12 pation programs to improve language instruction
 13 educational programs for limited English proficient
 14 students.

15 **“SEC. 3108. PROGRAM REQUIREMENTS.**

16 “(a) PROHIBITION.—In carrying out this part, the
 17 Secretary shall neither mandate nor preclude the use of
 18 a particular curricular or pedagogical approach to edu-
 19 cating limited English proficient students.

20 “(b) TEACHER ENGLISH FLUENCY.—Each local edu-
 21 cational agency receiving grant funds under section 3104
 22 shall certify to the State educational agency that all teach-
 23 ers in any language instruction educational program for
 24 limited English proficient students funded under this part
 25 are fluent in English.

1 **“SEC. 3109. PERFORMANCE OBJECTIVES.**

2 “(a) IN GENERAL.—Each State educational agency
3 or specially qualified agency receiving a grant under this
4 part shall develop annual numerical performance objec-
5 tives with respect to helping limited English proficient stu-
6 dents become proficient in English, including proficiency
7 in the 4 recognized domains of speaking, listening, read-
8 ing, and writing. For each annual numerical performance
9 objective established, the agency shall specify an incre-
10 mental percentage increase for the objective to be attained
11 for each of the fiscal years (after the first fiscal year) for
12 which the agency receives a grant under this part, relative
13 to the preceding fiscal year, including increases in the
14 number of limited English proficient students dem-
15 onstrating an increase in performance on annual assess-
16 ments in speaking, listening, reading, and writing.

17 “(b) ACCOUNTABILITY.—Each State educational
18 agency or specially qualified agency receiving a grant
19 under this part shall be held accountable for meeting the
20 annual numerical performance objectives under this part
21 and the adequate yearly progress levels for limited English
22 proficient students under clauses (iv) and (vii) of section
23 1111(b)(2)(B). Any State educational agency or specially
24 qualified agency that fails to meet the annual performance
25 objectives shall be subject to sanctions under section 7101.

1 **“SEC. 3110. REGULATIONS AND NOTIFICATION.**

2 “(a) REGULATION RULE.—In developing regulations
3 under this part, the Secretary shall consult with State
4 educational agencies, local educational agencies, organiza-
5 tions representing limited English proficient individuals,
6 and organizations representing teachers and other per-
7 sonnel involved in the education of limited English pro-
8 ficient students.

9 “(b) PARENTAL NOTIFICATION.—

10 “(1) IN GENERAL.—Each local educational
11 agency shall notify parents of a student partici-
12 pating in a language instruction educational pro-
13 gram under this part of—

14 “(A) the student’s level of English pro-
15 ficiency, how such level was assessed, the status
16 of the student’s academic achievement, and the
17 implications of the student’s educational
18 strengths and needs for age- and grade-appro-
19 priate academic attainment, promotion, and
20 graduation;

21 “(B)(i) the programs that are available to
22 meet the student’s educational strengths and
23 needs, and how such programs differ in content
24 and instructional goals from other language in-
25 struction educational programs; and

“(ii) in the case of a student with a disability who participates in the language instruction educational program, how the program meets the objectives of the individualized education program of the student; and

“(C)(i) the instructional goals of the language instruction educational program in which the student participates, and how the program will specifically help the limited English proficient student learn English and meet age-appropriate standards for grade promotion and graduation;

“(ii) the characteristics, benefits, and past academic results of the language instruction educational program and of instructional alternatives; and

“(iii) the reasons the student was identified as being in need of a language instruction educational program.

“(2) OPTION TO DECLINE.—

“(A) IN GENERAL.—Each parent described in paragraph (1) shall also be informed that the parent has the option of declining the enrollment of the student in a language instruction educational program, and shall be given an op-

1 portunity to decline such enrollment if the par-
2 ent so chooses.

3 “(B) OBLIGATIONS.—A local educational
4 agency shall not be relieved of any of the agen-
5 cy’s obligations under title VI of the Civil
6 Rights Act of 1964 if a parent chooses not to
7 enroll a student in a language instruction edu-
8 cational program.

9 “(3) RECEIPT OF INFORMATION.—A parent de-
10 scribed in paragraph (1) shall receive the informa-
11 tion required by this subsection in a manner and
12 form understandable to the parent including, if nec-
13 essary and to the extent feasible, receiving the infor-
14 mation in the native language of the parent. At a
15 minimum, the parent shall receive—

16 “(A) timely information about programs
17 funded under this part; and

18 “(B) if the parent desires, notice of oppor-
19 tunities for regular meetings for the purpose of
20 formulating and responding to recommenda-
21 tions from parents of students assisted under
22 this part.

23 “(4) SPECIAL RULE.—A student shall not be
24 admitted to, or excluded from, any federally assisted

1 language instruction educational program solely on
 2 the basis of a surname or language-minority status.

3 “(5) LIMITATIONS ON CONDITIONS.—Nothing
 4 in this part shall be construed to authorize an officer
 5 or employee of the Federal Government to mandate,
 6 direct, or control a State’s, local educational agen-
 7 cy’s, elementary school’s, or secondary school’s spe-
 8 cific challenging English language development
 9 standards or assessments, curricula, or program of
 10 instruction, as a condition of eligibility to receive
 11 grant funds under this part.

12 **“SEC. 3111. AUTHORIZATION OF APPROPRIATIONS.**

13 “There are authorized to be appropriated to carry out
 14 this part \$1,000,000,000 for fiscal year 2002, and such
 15 sums as may be necessary for each of the 4 succeeding
 16 fiscal years.”.

17 **SEC. 302. EMERGENCY IMMIGRANT EDUCATION PROGRAM.**

18 (a) REPEALS, TRANSFERS, AND REDESIGNATIONS.—

19 Title III (20 U.S.C. 6801 et seq.) is further amended—

20 (1) by repealing part B (20 U.S.C. 6891 et
 21 seq.), part C (20 U.S.C. 6921 et seq.), part D (20
 22 U.S.C. 6951 et seq.), part E (20 U.S.C. 6971 et
 23 seq.), and part F, as added by section 1711 of divi-
 24 sion B of the Miscellaneous Appropriations Act,

1 2001 (as enacted into law by section 1(a)(4) of Pub-
 2 lic Law 106–554);

3 (2) by transferring part C of title VII (20
 4 U.S.C. 7541 et seq.) to title III and inserting such
 5 part after part A (as inserted by section 301(3));

6 (3) by redesignating part C of title VII (as
 7 transferred by paragraph (2)) as part B, and redesi-
 8 gnating the references to such part C as the ref-
 9 erences to such part B; and

10 (4) by redesignating sections 7301 through
 11 7309 (20 U.S.C. 7541, 7549) (as transferred by
 12 paragraph (2)) as sections 3201 through 3209, re-
 13 spectively, and redesignating accordingly the ref-
 14 erences to such sections 7301 through 7309.

15 (b) AMENDMENTS.—Part B of title III (as so trans-
 16 ferred and redesignated) is amended—

17 (1) in section 3205(a)(2) (as redesignated by
 18 subsection (a)(4)), by striking “the Goals 2000:
 19 Educate America Act,”; and

20 (2) in section 3209 (as redesignated by sub-
 21 section (a)(4)), by striking “\$100,000,000” and all
 22 that follows through “necessary for” and inserting
 23 “such sums as may be necessary for fiscal year 2002
 24 and”.

1 **SEC. 303. INDIAN, NATIVE HAWAIIAN, AND ALASKA NATIVE**
2 **EDUCATION.**

3 (a) REPEALS, TRANSFERS, AND REDESIGNATIONS.—
4 Title III (20 U.S.C 6801 et seq.) is further amended—

5 (1) by transferring title IX (20 U.S.C. 7801 et
6 seq.) to title III and inserting such title after part
7 B (as redesignated by section 302(a)(3));

8 (2) by redesignating subparts 1 through 6 of
9 part A of title IX (as transferred by paragraph (1))
10 as chapters I through VI, respectively, and redesign-
11 ating accordingly the references to such subparts
12 as the references to such chapters;

13 (3) by redesignating parts A through C of title
14 IX (as transferred by paragraph (1)) as subparts 1
15 through 3, respectively, and redesignating accord-
16 ingly the references to such parts as the references
17 to such subparts;

18 (4) by redesignating title IX (as transferred by
19 paragraph (1)) as part C, and redesignating accord-
20 ingly the references to such title as the references to
21 such part;

22 (5) by redesignating sections 9101 and 9102
23 (20 U.S.C. 7801, 7802) (as transferred by para-
24 graph (1)) as sections 3301 and 3302, respectively,
25 and redesignating accordingly the references to such
26 sections 9101 and 9102;

1 (6) by redesignating sections 9111 through
2 9118 (20 U.S.C. 7811, 7818) (as transferred by
3 paragraph (1)) as sections 3311 through 3318, re-
4 spectively, and redesignating accordingly the ref-
5 erences to such sections 9111 through 9118;

6 (7) by redesignating sections 9121 through
7 9125 (20 U.S.C. 7831, 7835) (as transferred by
8 paragraph (1)) as sections 3321 through 3325, and
9 redesignating accordingly the references to such sec-
10 tions 9121 through 9125;

11 (8) by redesignating sections 9131 and 9141
12 (20 U.S.C. 7851, 7861) (as transferred by para-
13 graph (1)) as sections 3331 and 3341, respectively,
14 and redesignating accordingly the references to such
15 sections 9131 and 9141;

16 (9) by redesignating sections 9151 through
17 9154 (20 U.S.C. 7871, 7874) (as transferred by
18 paragraph (1)) as sections 3351 through 3354, re-
19 spectively, and redesignating accordingly the ref-
20 erences to such sections 9151 through 9154;

21 (10) by redesignating sections 9161 and 9162
22 (20 U.S.C. 7881, 7882) (as transferred by para-
23 graph (1)) as sections 3361 and 3362, respectively,
24 and redesignating accordingly the references to such
25 sections 9161 and 9162;

1 (11) by redesignating sections 9201 through
 2 9212 (20 U.S.C. 7901, 7912) (as transferred by
 3 paragraph (1)) as sections 3401 through 3412, re-
 4 spectively, and redesignating accordingly the ref-
 5 erences to such sections 9201 through 9212; and

6 (12) by redesignating sections 9301 through
 7 9308 (20 U.S.C. 7931, 7938) (as transferred by
 8 paragraph (1)) as sections 3501 through 3508, and
 9 redesignating accordingly the references to such sec-
 10 tions 9301 through 9308.

11 (b) AMENDMENTS.—Part C of title III (as so trans-
 12 ferred and redesignated) is amended—

13 (1) by amending section 3314(b)(2)(A) (as re-
 14 designated by subsection (a)(6)) to read as follows:

15 “(2)(A) is consistent with, and promotes the
 16 goals in, the State and local plans under sections
 17 1111 and 1112;”;

18 (2) by amending section 3325(e) (as redesign-
 19 ated by subsection (a)(7)) to read as follows:

20 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
 21 are authorized to be appropriated such sums as may be
 22 necessary to carry out this chapter for fiscal year 2002
 23 and each of the 4 succeeding years.”;

24 (3) in section 3361(4)(E) (as redesignated by
 25 subsection (a)(10)), by striking “the Act entitled the

1 ‘Improving America’s Schools Act of 1994’” and in-
 2 serting “the Public Education Reinvestment, Re-
 3 invention, and Responsibility Act”;

4 (4) by amending section 3362 (as redesignated
 5 by subsection (a)(10)) to read as follows:

6 **“SEC. 3362. AUTHORIZATION OF APPROPRIATIONS.**

7 “For the purpose of carrying out chapters I through
 8 V of this subpart, there are authorized to be appropriated
 9 to the Department of Education such sums as may be nec-
 10 essary for fiscal year 2002 and each of the 4 succeeding
 11 years.”;

12 (5) in section 3404 (as redesignated by sub-
 13 section (a)(11))—

14 (A) in subsection (i), by striking “Improv-
 15 ing America’s Schools Act of 1994” and insert-
 16 ing “Public Education Reinvestment, Reinven-
 17 tion, and Responsibility Act”; and

18 (B) in subsection (j), by striking
 19 “\$500,000 for fiscal year 1995, and such sums
 20 as may be necessary” and inserting “such sums
 21 as may be necessary for fiscal year 2002, and”;

22 (6) in section 3405(c) (as redesignated by sub-
 23 section (a)(11)), by striking “\$6,000,000 for fiscal
 24 year 1995, and such sums as may be necessary” and

1 inserting “such sums as may be necessary for fiscal
2 year 2002, and”;

3 (7) in section 3406(e) (as redesignated by sub-
4 section (a)(11)), by striking “\$2,000,000 for fiscal
5 year 1995, and such sums as may be necessary” and
6 inserting “such sums as may be necessary for fiscal
7 year 2002, and”;

8 (8) in section 3407(e) (as redesignated by sub-
9 section (a)(11)), by striking “\$1,500,000 for fiscal
10 year 1995, and such sums as may be necessary” and
11 inserting “such sums as may be necessary for fiscal
12 year 2002, and”;

13 (9) in section 3408(c) (as redesignated by sub-
14 section (a)(11)), by striking “\$2,000,000 for fiscal
15 year 1995, and such sums as may be necessary” and
16 inserting “such sums as may be necessary for fiscal
17 year 2002, and”;

18 (10) in section 3409(d) (as redesignated by
19 subsection (a)(11)), by striking “\$2,000,000 for fis-
20 cal year 1995, and such sums as may be necessary”
21 and inserting “such sums as may be necessary for
22 fiscal year 2002, and”;

23 (11) in section 3410(d) (as redesignated by
24 subsection (a)(11)), by striking “\$1,000,000 for fis-
25 cal year 1995, and such sums as may be necessary”

1 and inserting “such sums as may be necessary for
2 fiscal year 2002, and”;

3 (12) in section 3504(c) (as redesignated by sub-
4 section (a)(12)), by striking “\$5,000,000 for fiscal
5 year 1995, and such sums as may be necessary” and
6 inserting “such sums as may be necessary for fiscal
7 year 2002, and”;

8 (13) in section 3505(e) (as redesignated by sub-
9 section (a)(12)), by striking “\$2,000,000 for fiscal
10 year 1995, and such sums as may be necessary” and
11 inserting “such sums as may be necessary for fiscal
12 year 2002, and”; and

13 (14) in section 3506(d) (as redesignated by
14 subsection (a)(12)), by striking “\$1,000,000 for fis-
15 cal year 1995, and such sums as may be necessary”
16 and inserting “such sums as may be necessary for
17 fiscal year 2002, and”.

18 **TITLE IV—PUBLIC SCHOOL** 19 **CHOICE**

20 **SEC. 401. PUBLIC SCHOOL CHOICE.**

21 (a) **MAGNET SCHOOLS AMENDMENTS.**—Section
22 5113(a) (20 U.S.C. 7213(a)) is amended—

23 (1) by striking “\$120,000,000” and inserting
24 “\$130,000,000”; and

25 (2) by striking “1995” and inserting “2002”.

1 (b) CHARTER SCHOOL AMENDMENTS.—Section
 2 10311 (20 U.S.C. 8067) is amended—

3 (1) by striking “\$100,000,000” and inserting
 4 “\$200,000,000”; and

5 (2) by striking “1999” and inserting “2002”.

6 (c) REPEALS, TRANSFERS, AND REDESIGNATIONS.—
 7 The Act (20 U.S.C. 6301 et seq.) is amended—

8 (1) by amending the heading for title IV (20
 9 U.S.C. 7101 et seq.) to read as follows:

10 **“TITLE IV—PUBLIC SCHOOL**
 11 **CHOICE”;**

12 (2) by amending section 4001 to read as fol-
 13 lows:

14 **“SEC. 4001. FINDINGS, POLICY, AND PURPOSE.**

15 **“(a) FINDINGS.—**Congress makes the following find-
 16 ings:

17 **“(1)(A)** Charter schools and magnet schools are
 18 an integral part of the educational system in the
 19 United States.

20 **“(B)** Thirty-four States and the District of Co-
 21 lumbia have established charter schools.

22 **“(C)** Magnet schools have been established
 23 throughout the United States.

24 **“(D)** A Department of Education evaluation of
 25 charter schools shows that 59 percent of charter

1 schools reported that lack of start-up funds posed a
2 difficult or very difficult challenge for the school.

3 “(2) State educational agencies and local edu-
4 cational agencies should hold all schools accountable
5 for the improved performance of all students, includ-
6 ing students attending charter schools and magnet
7 schools, using State standards and student assess-
8 ment measures.

9 “(3) Transportation is an important and crit-
10 ical component of school choice. Local educational
11 agencies have a responsibility to provide transpor-
12 tation costs to ensure that all children receive equal
13 access to high quality schools.

14 “(4) School report cards constitute the key in-
15 formational component used by parents for effective
16 public school choice.

17 “(b) POLICY.—It is the policy of the United States—

18 “(1) to support and stimulate improved public
19 school performance through increased public elemen-
20 tary school and secondary school competition and in-
21 creased Federal financial assistance; and

22 “(2) to provide parents with more choices
23 among public school options.

24 “(c) PURPOSES.—The purposes of this title are as
25 follows:

1 “(1) To consolidate Federal law regarding pub-
2 lic school choice programs into 1 title.

3 “(2) To increase Federal assistance for magnet
4 schools and charter schools.

5 “(3) To give parents more options and help
6 parents make better and more informed choices by—

7 “(A) providing continued support for and
8 financial assistance for magnet schools;

9 “(B) providing continued support for and
10 expansion of charter schools and charter school
11 districts; and

12 “(C) providing financial assistance to
13 States and local educational agencies for the de-
14 velopment of local educational agency and
15 school report cards.”;

16 (3) by repealing sections 4002 through 4004
17 (20 U.S.C. 7102, 7104), and part A (20 U.S.C.
18 7111 et seq.), of title IV;

19 (4) by transferring part A of title V (20 U.S.C.
20 7201 et seq.) to title IV, inserting such part A after
21 section 4001, and redesignating the references to
22 part A of title V as the references to part A of title
23 IV;

24 (5) by redesignating sections 5101 through
25 5113 (20 U.S.C. 7201, 7213) (as transferred by

1 paragraph (4)) as sections 4101 through 4113, re-
2 spectively, and by redesignating accordingly the ref-
3 erences to such sections 5105 through 5113;

4 (6) by transferring part C of title X (20 U.S.C.
5 8061 et seq.) to title IV and inserting such part C
6 after part A of title IV (as transferred by paragraph
7 (4));

8 (7) by redesignating part C of title IV (as
9 transferred by paragraph (6)) as part B of title IV,
10 and redesignating accordingly the references to such
11 part C;

12 (8) by redesignating sections 10301 through
13 10311 (20 U.S.C. 8061, 8067) (as transferred by
14 paragraph (6)) as sections 4201 through 4211, re-
15 spectively, and by redesignating accordingly the ref-
16 erences to such sections 10301 through 10311; and

17 (9) by redesignating sections 10321 through
18 10331 (as added by section 322 of the Department
19 of Education Appropriations Act, 2001 (as enacted
20 into law by section 1(a)(1) of Public Law 106–554)
21 and transferred by paragraph (6)) as sections 4221
22 through 4231, respectively, and by redesignating ac-
23 cordingly the references to such sections 10321
24 through 10331.

1 **SEC. 402. DEVELOPMENT OF PUBLIC SCHOOL CHOICE PRO-**
 2 **GRAMS; REPORT CARDS.**

3 Title IV (20 U.S.C. 7101 et seq.) is further amended
 4 by adding at the end the following:

5 **“PART C—DEVELOPMENT OF PUBLIC SCHOOL**
 6 **CHOICE PROGRAMS**

7 **“SEC. 4301. DEFINITIONS.**

8 “In this part:

9 “(1) HIGH-POVERTY LOCAL EDUCATIONAL
 10 AGENCY.—The term ‘high-poverty local educational
 11 agency’ means a local educational agency serving a
 12 school district in which the percentage of children,
 13 ages 5 to 17, from families with incomes below the
 14 poverty line is 20 percent or more.

15 “(2) POVERTY LINE.— The term ‘poverty line’
 16 means the income official poverty line (as defined by
 17 the Office of Management and Budget, and revised
 18 annually in accordance with section 673(2) of the
 19 Community Services Block Grant Act (42 U.S.C.
 20 9902(2)) applicable to a family of the size involved,
 21 for the most recent year for which satisfactory data
 22 are available.

23 **“SEC. 4302. GRANTS AUTHORIZED.**

24 “(a) IN GENERAL.—From amounts made available to
 25 carry out this part for a fiscal year under section 4306,
 26 and not reserved under section 4305, the Secretary is au-

1 thorized to award grants, on a competitive basis, to State
 2 educational agencies and local educational agencies to en-
 3 able the local educational agencies to develop local public
 4 school choice programs.

5 “(b) DURATION.—Grants awarded under this part
 6 may be awarded for periods of not more than 3 years.

7 **“SEC. 4303. USES OF FUNDS.**

8 “(a) IN GENERAL.—

9 “(1) PUBLIC SCHOOL CHOICE.—Funds made
 10 available under this part may be used to develop, im-
 11 plement, evaluate, demonstrate, and disseminate in-
 12 formation on, innovative approaches to promote pub-
 13 lic school choice, including the design and develop-
 14 ment of new public school choice options, the devel-
 15 opment of new strategies for overcoming barriers to
 16 effective public school choice, and the design and de-
 17 velopment of public school choice systems that pro-
 18 mote high standards for all students and the contin-
 19 uous improvement of all public schools.

20 “(2) INNOVATIVE APPROACHES.—Such ap-
 21 proaches, which may be carried out at the school,
 22 local educational agency, and State levels, may
 23 include—

24 “(A) universal public school choice pro-
 25 grams that serve to make every school in a

1 school district, group of school districts, or a
 2 State, a school of choice;

3 “(B) interdistrict and intradistrict ap-
 4 proaches to public school choice, including ap-
 5 proaches that increase equal access to high
 6 quality educational programs and diversity in
 7 schools;

8 “(C) public elementary school and sec-
 9 ondary school programs that—

10 “(i) involve partnerships that include
 11 institutions of higher education; and

12 “(ii) are located on the campuses of
 13 the institutions;

14 “(D) programs that allow students in pub-
 15 lic secondary schools to enroll in postsecondary
 16 courses and to receive both secondary and post-
 17 secondary academic credit;

18 “(E) approaches in which State edu-
 19 cational agencies or local educational agencies
 20 form partnerships with public or private em-
 21 ployers, to create public schools at parents’
 22 places of employment, referred to as worksite
 23 satellite schools; and

1 “(F) approaches to school desegregation
2 that provide students and parents choice
3 through strategies other than magnet schools.

4 “(b) TRANSPORTATION.—Funds made available
5 under this part may be used for providing transportation
6 services or paying for the cost of transportation for stu-
7 dents, except that not more than 10 percent of the funds
8 received under this part shall be used by a State edu-
9 cational agency or local educational agency to provide such
10 services or pay for such cost.

11 “(c) SUPPLEMENT, NOT SUPPLANT.—Funds made
12 available under this part shall be used to supplement and
13 not supplant State and local public funds expended for
14 public school choice programs.

15 **“SEC. 4304. GRANT APPLICATION; PRIORITIES.**

16 “(a) APPLICATION REQUIRED.—A State educational
17 agency or local educational agency desiring to receive a
18 grant under this part shall submit an application to the
19 Secretary at such time, in such manner, and containing
20 such information as the Secretary may require.

21 “(b) APPLICATION CONTENTS.—The application
22 shall include—

23 “(1) a description of the program for which the
24 agency seeks the grant the goals for such program;

1 “(2) a description of how the program will be
2 coordinated with, and will complement and enhance,
3 other related Federal and non-Federal programs;

4 “(3) if the program involves partners, the name
5 of each partner and a description of the partner’s
6 responsibilities;

7 “(4) a description of the policies and procedures
8 the applicant will use to ensure—

9 “(A) accountability for results, including
10 goals and performance indicators; and

11 “(B) that the program is open and acces-
12 sible to, and will promote high academic stand-
13 ards for, all students;

14 “(5) information demonstrating that the appli-
15 cant will provide transportation services or the cost
16 of transportation to ensure that all students receive
17 equal access to high quality schools; and

18 “(6) such other information as the Secretary
19 may require.

20 “(c) PRIORITIES.—

21 “(1) LOW-PERFORMING SCHOOLS.—In making
22 grants under this part, the Secretary shall give pri-
23 ority to an agency submitting an application for a
24 program for a local educational agency serving
25 schools designated as low-performing.

1 “(2) HIGH-POVERTY AGENCIES.—In making
2 grants under this part, the Secretary shall give pri-
3 ority to an agency submitting an application for a
4 program for a high-poverty local educational agency.

5 “(3) PARTNERSHIPS.—In making grants under
6 this part, the Secretary may give priority to an
7 agency submitting an application demonstrating that
8 the applicant will carry out the applicant’s program
9 in partnership with 1 or more public or private
10 agencies, organizations, or institutions, such as insti-
11 tutions of higher education and public or private em-
12 ployers.

13 **“SEC. 4305. EVALUATION, TECHNICAL ASSISTANCE, AND**
14 **DISSEMINATION.**

15 “(a) RESERVATION FOR EVALUATION, TECHNICAL
16 ASSISTANCE, AND DISSEMINATION.—From the amount
17 appropriated under section 4306 for any fiscal year, the
18 Secretary may reserve not more than 5 percent to carry
19 out evaluations under subsection (b), to provide technical
20 assistance, and to disseminate information.

21 “(b) EVALUATIONS.—The Secretary may use funds
22 reserved under subsection (a) to carry out 1 or more eval-
23 uations of programs assisted under this part, which shall,
24 at a minimum, address—

1 “(1) how, and the extent to which, the pro-
 2 grams supported with funds under this part promote
 3 educational equity and excellence; and

4 “(2) the extent to which public schools of choice
 5 supported with funds under this part are—

6 “(A) held accountable to the public;

7 “(B) effective in improving public edu-
 8 cation; and

9 “(C) open and accessible to all students.

10 **“SEC. 4306. AUTHORIZATION OF APPROPRIATIONS.**

11 “There are authorized to be appropriated to carry out
 12 this part \$200,000,000 for fiscal year 2002 and such sums
 13 as may be necessary for each of the 4 succeeding fiscal
 14 years.

15 **“PART D—REPORT CARDS**

16 **“SEC. 4401. REPORT CARDS.**

17 “(a) GRANTS AUTHORIZED.—The Secretary shall
 18 award grants, from allotments made under subsection (b),
 19 to States, local educational agencies, and public schools
 20 receiving assistance under this Act to enable the States,
 21 agencies, and schools to publish annually reports and re-
 22 port cards concerning the agencies and schools.

23 “(b) RESERVATIONS AND ALLOTMENTS.—

1 “(1) RESERVATIONS.—From the amount appro-
2 priated under subsection (k) to carry out this part
3 for each fiscal year, the Secretary shall reserve—

4 “(A) $\frac{1}{2}$ of 1 percent of such amount for
5 payments to the Secretary of the Interior for
6 activities approved by the Secretary of Edu-
7 cation, consistent with this part, in schools op-
8 erated or supported by the Bureau of Indian
9 Affairs, on the basis of their respective needs
10 for assistance under this part; and

11 “(B) $\frac{1}{2}$ of 1 percent of such amount for
12 payments to outlying areas, to be allotted in ac-
13 cordance with their respective needs for assist-
14 ance under this part, as determined by the Sec-
15 retary, for activities approved by the Secretary,
16 consistent with this part.

17 “(2) STATE ALLOTMENTS.—From the amount
18 appropriated under subsection (k) for a fiscal year
19 and remaining after the Secretary makes reserva-
20 tions under paragraph (1), the Secretary shall allot
21 to each State receiving assistance under this Act an
22 amount that bears the same relationship to the re-
23 mainder as the number of public school students en-
24 rolled in elementary schools and secondary schools in

1 the State bears to the number of such students so
2 enrolled in all States.

3 “(c) STATE RESERVATION OF FUNDS.—Each State
4 educational agency receiving a grant under subsection (a)
5 may reserve—

6 “(1) not more than 10 percent of the grant
7 funds to carry out activities described in subsections
8 (e) and (g)(2) for fiscal year 2002; and

9 “(2) not more than 5 percent of the grant
10 funds to carry out activities described under sub-
11 sections (e) and (g)(2) for fiscal year 2003 and each
12 of the 3 succeeding fiscal years.

13 “(d) WITHIN-STATE ALLOCATIONS.—Each State
14 educational agency receiving a grant under subsection (a)
15 shall allocate the grant funds that remain after making
16 the reservation described in subsection (c) to each local
17 educational agency in the State in an amount that bears
18 the same relationship to the remainder as the number of
19 public school students enrolled in elementary schools and
20 secondary schools served by the local educational agency
21 bears to the number of such students served by local edu-
22 cational agencies within the State.

23 “(e) ANNUAL STATE REPORT.—

24 “(1) REPORTS REQUIRED.—

1 “(A) IN GENERAL.—Not later than the be-
2 ginning of the 2002–2003 school year, a State
3 that receives assistance under this Act shall
4 prepare and disseminate an annual report with
5 respect to all public elementary schools and sec-
6 ondary schools within the State that receive
7 funds under this Act.

8 “(B) STATE REPORT CARDS ON EDU-
9 CATION.—In the case of a State that publishes
10 State report cards on education, the State shall
11 meet the requirements of subparagraph (A) by
12 including in such report cards the information
13 described in paragraphs (3) through (5) for all
14 public schools and local educational agencies in
15 the State that receive funds under this Act.

16 “(C) REPORT CARDS ON ALL PUBLIC
17 SCHOOLS.—In the case of a State that pub-
18 lishes report cards on all public elementary
19 schools and secondary schools in the State, the
20 State shall meet the requirements of subpara-
21 graph (A) by including in the report cards, at
22 a minimum, the information described in para-
23 graphs (3) through (5) for all public schools
24 and local educational agencies in the State that
25 receive funds under this Act.

1 “(D) PUBLICATION THROUGH OTHER
2 MEANS.—In the event that the State does not
3 publish a report card described in subparagraph
4 (B) or (C), the State shall, not later than the
5 beginning of the 2002–2003 school year, meet
6 the requirements of subparagraph (A) by pub-
7 licly reporting the information described in
8 paragraphs (3) through (5) for all public
9 schools and local educational agencies in the
10 State that receive funds under this Act.

11 “(2) IMPLEMENTATION; REQUIREMENTS.—The
12 State shall ensure implementation at the State,
13 local, and school levels of the activities necessary to
14 enable the State to make the reports described in
15 paragraph (1).

16 “(3) REQUIRED INFORMATION.—Each State de-
17 scribed in paragraph (1)(A) shall, at a minimum, in-
18 clude in the annual State report information on each
19 local educational agency and public school that re-
20 ceives funds under this Act, including information
21 regarding—

22 “(A)(i) student performance on statewide
23 assessments for the year for which the annual
24 State report is made, and the preceding year, in
25 at least English language arts, mathematics,

1 and (in each State report for a school year after
2 the 2006–2007 school year) science,
3 including—

4 “(I) a comparison of the proportions
5 of students who performed at the State’s
6 basic, proficient, and advanced levels of
7 performance in each academic subject, for
8 each grade level for which State assess-
9 ments are required under section
10 1111(b)(4) for the year for which the re-
11 port is prepared, with proportions in each
12 of the same 3 levels in each academic sub-
13 ject at the same grade levels in the pre-
14 ceding school year; and

15 “(II) a statement of the percentage of
16 students not tested and a listing of cat-
17 egories of the reasons why such students
18 were not tested; and

19 “(ii) the most recent 3-year trend in the
20 percentage of students performing at the
21 State’s basic, proficient, and advanced levels of
22 performance, for each grade level for which
23 State assessments are required under section
24 1111(b)(4), in each academic subject, including
25 at least—

1 “(I) English language arts;

2 “(II) mathematics; and

3 “(III) (in each State report for a
4 school year after the 2007–2008 school
5 year) science;

6 “(B) student retention rates in each grade,
7 the number of students completing advanced
8 placement courses, and 4-year graduation rates;

9 “(C) the professional qualifications of
10 teachers in the aggregate, including the per-
11 centage of teachers teaching with emergency or
12 provisional credentials, the percentage of class
13 sections not taught by fully qualified teachers,
14 and the percentage of teachers who are fully
15 qualified; and

16 “(D) the professional qualifications of
17 paraprofessionals in the aggregate, the number
18 of paraprofessionals in the aggregate, and the
19 ratio of paraprofessionals to teachers in the
20 classroom.

21 “(4) STUDENT DATA.—Student data in each re-
22 port shall contain disaggregated results for the fol-
23 lowing categories:

24 “(A) Racial and ethnic groups.

25 “(B) Gender groups.

1 “(C) Economically disadvantaged students,
2 as compared to students who are not economi-
3 cally disadvantaged.

4 “(D) Students with limited English pro-
5 ficiency, as compared with students who are
6 proficient in English.

7 “(5) OPTIONAL INFORMATION.—A State may
8 include in the State annual report any other infor-
9 mation the State determines appropriate to reflect
10 school quality and school achievement, including by
11 grade level information on—

12 “(A) average class size; and

13 “(B) school safety, such as the incidence of
14 school violence and drug and alcohol abuse, and
15 the incidence of student suspensions and expul-
16 sions.

17 “(6) WAIVER.—The Secretary may grant a
18 waiver to a State seeking a waiver of the require-
19 ments of this subsection, if the State demonstrates
20 to the Secretary that—

21 “(A) the content of State reports meets
22 the goals of this part; and

23 “(B) the State is taking identifiable steps
24 to meet the requirements of this subsection.

1 “(f) LOCAL EDUCATIONAL AGENCY AND SCHOOL RE-
2 PORT CARDS.—

3 “(1) REPORT CARD REQUIRED.—

4 “(A) IN GENERAL.—The State shall ensure
5 that each local educational agency, public ele-
6 mentary school, or public secondary school in
7 the State that receives funds under this Act,
8 collects appropriate data and publishes an an-
9 nual report card consistent with this subsection.

10 “(B) REQUIRED INFORMATION.—Each
11 local educational agency, elementary school, and
12 secondary school described in subparagraph (A)
13 shall, at a minimum, include in its annual re-
14 port card—

15 “(i) the information described in para-
16 graphs (3) and (4) of subsection (e) for
17 each local educational agency and school,
18 as appropriate;

19 “(ii) in the case of a local educational
20 agency—

21 “(I) information regarding the
22 number and percentage of schools
23 served by the local educational agency
24 that are identified for school improve-

1 ment and corrective action, including
2 schools identified under section 1116;

3 “(II) information on the most re-
4 cent 3-year trend in the number and
5 percentage of elementary schools and
6 secondary schools served by the local
7 educational agency that are identified
8 for school improvement; and

9 “(III) information that shows
10 how students in the schools served by
11 the local educational agency per-
12 formed on the statewide assessment
13 compared with students in the State
14 as a whole;

15 “(iii) in the case of an elementary
16 school or a secondary school—

17 “(I) information regarding
18 whether the school has been identified
19 for school improvement or corrective
20 action; and

21 “(II) information that shows how
22 the school’s students performed on the
23 statewide assessment compared with
24 students in schools served by the same

1 local educational agency and with all
2 students in the State; and

3 “(iv) other appropriate information,
4 whether or not the information is included
5 in the annual State report.

6 “(2) SPECIAL RULE.—A local educational agen-
7 cy that issues report cards for all public elementary
8 schools and secondary schools served by the agency
9 shall include, at a minimum, the information de-
10 scribed in paragraphs (3) through (5) of subsection
11 (e) for all public schools that receive funds under
12 this Act.

13 “(g) DISSEMINATION AND ACCESSIBILITY OF RE-
14 PORTS AND REPORT CARDS.—

15 “(1) REQUIREMENTS.—Annual reports and re-
16 port cards under this part shall be—

17 “(A) concise; and

18 “(B) presented in a format and manner
19 that parents can understand, including, to the
20 extent practicable, in a language the parents
21 can understand.

22 “(2) STATE REPORTS.—State annual reports
23 under subsection (e) shall be disseminated to all ele-
24 mentary schools, secondary schools, and local edu-
25 cational agencies in the State, and made broadly

1 available to the public through means such as post-
2 ing on the Internet and distribution to the media,
3 and through public agencies.

4 “(3) LOCAL REPORT CARDS.—Local educational
5 agency report cards under subsection (f) shall be
6 disseminated to all elementary schools and secondary
7 schools served by the local educational agency and to
8 all parents of students attending such schools, and
9 made broadly available to the public through means
10 such as posting on the Internet and distribution to
11 the media, and through public agencies.

12 “(4) SCHOOL REPORT CARDS.—Elementary
13 school and secondary school report cards under sub-
14 section (f) shall be disseminated to all parents of
15 students attending that school, and made broadly
16 available to the public, through means such as post-
17 ing on the Internet and distribution to the media,
18 and through public agencies.

19 “(h) PARENTS RIGHT-TO-KNOW.—

20 “(1) QUALIFICATIONS.—A local educational
21 agency that receives funds under part A of title I or
22 part A of title II shall provide, on request, in an un-
23 derstandable and uniform format, to any parent of
24 a student attending any school served by the agency
25 and receiving funds under part A of title I or part

1 A of title II, information regarding the professional
2 qualifications of the student's classroom teachers.

3 The information shall describe, at a minimum—

4 “(A) whether the teacher is fully qualified,
5 as defined in section 2002, for the grade levels
6 and academic subjects in which the teacher
7 teaches;

8 “(B) whether the teacher is teaching under
9 emergency or other provisional status through
10 which State certification or licensing criteria
11 are waived;

12 “(C) the major in which the teacher re-
13 ceived a baccalaureate degree, any graduate de-
14 gree or certification held by the teacher, and
15 the field of discipline of each such degree or
16 certification; and

17 “(D) whether the student is provided serv-
18 ices by paraprofessionals, and the qualifications
19 of any such paraprofessional.

20 “(2) ADDITIONAL INFORMATION.—In addition
21 to the information described in paragraph (1), and
22 the information provided in reports and report cards
23 under this part, a school that receives funds under
24 part A of title I or part A of title II shall provide,
25 to the extent practicable, to each individual parent

1 (including a guardian) of a student attending the
 2 school—

3 “(A) information on the level of perform-
 4 ance of the student on each of the State assess-
 5 ments required under section 1111(b)(4); and

6 “(B) if the student was assigned to or
 7 taught for 2 or more consecutive weeks by a
 8 substitute teacher or by a teacher who is not
 9 fully qualified, timely notice about the teacher
 10 involved.

11 “(i) COORDINATION OF STATE PLAN CONTENT.—A
 12 State shall include in the State’s plan under part A of
 13 title I or part A of title II, an assurance that the State
 14 has in effect a policy that meets the requirements of this
 15 section.

16 “(j) PRIVACY.—Information collected under this sec-
 17 tion shall be collected and disseminated in a manner that
 18 protects the privacy of individuals.

19 “(k) AUTHORIZATION OF APPROPRIATIONS.—There
 20 are authorized to be appropriated to carry out this part
 21 \$5,000,000 for fiscal year 2002 and such sums as may
 22 be necessary for each of the 4 succeeding fiscal years.

23 “(l) DEFINITION.—In this section, the term ‘State’
 24 means each of the several States of the United States, the

1 District of Columbia, and the Commonwealth of Puerto
 2 Rico.”.

3 **TITLE V—IMPACT AID**

4 **SEC. 501. PAYMENTS RELATING TO FEDERAL ACQUISITION** 5 **OF REAL PROPERTY.**

6 Section 8002 (20 U.S.C. 7702), as amended by sec-
 7 tion 1803 of the Floyd D. Spence National Defense Au-
 8 thorization Act for Fiscal Year 2001 (Public Law 106–
 9 398), is amended—

10 (1) in subsection (h)(4), by striking subpara-
 11 graph (B) and inserting the following:

12 “(B) the Secretary shall make a payment
 13 to each local educational agency that is eligible
 14 to receive a payment under this section for the
 15 fiscal year involved in an amount that bears the
 16 same relation to 75 percent of the remainder as
 17 a percentage share determined for the local
 18 educational agency (as determined by dividing
 19 the maximum amount that such agency is eligi-
 20 ble to receive under subsection (b) by the total
 21 maximum amounts that all such local edu-
 22 cational agencies are eligible to receive under
 23 such subsection) bears to the percentage share
 24 determined (in the same manner) for all local
 25 educational agencies eligible to receive a pay-

1 ment under this section for the fiscal year in-
2 volved, except that for purposes of calculating a
3 local educational agency's maximum payment,
4 data from the most current fiscal year shall be
5 used.”; and

6 (2) by adding at the end the following:

7 “(n) LOSS OF ELIGIBILITY.—

8 “(1) IN GENERAL.—Notwithstanding any other
9 provision of this section, the Secretary shall make
10 the following minimum payments for each fiscal year
11 to each local educational agency described in para-
12 graph (2):

13 “(A) For the first fiscal year following the
14 loss of eligibility (as described in paragraph
15 (2)), an amount equal to 90 percent of the
16 amount received in the final fiscal year of eligi-
17 bility.

18 “(B) For the second fiscal year following
19 the loss of eligibility (as described in paragraph
20 (2)), an amount equal to 75 percent of the
21 amount received in the final fiscal year of eligi-
22 bility.

23 “(C) For the third fiscal year following the
24 loss of eligibility (as described in paragraph
25 (2)), an amount equal to 50 percent of the

1 amount received in the final fiscal year of eligi-
 2 bility.

3 “(2) ELIGIBLE LOCAL EDUCATIONAL AGEN-
 4 CIES.—A local educational agency described in this
 5 paragraph is an agency that—

6 “(A) was eligible for, and received, a pay-
 7 ment under this section for fiscal year 2002;
 8 and

9 “(B) beginning in fiscal year 2003 or a
 10 subsequent fiscal year, is no longer eligible for
 11 payments under this section as provided for in
 12 subsection (a)(1)(C) as a result of the transfer
 13 of the Federal property involved to a non-Fed-
 14 eral entity.”.

15 **SEC. 502. REPEAL OF SPECIAL RULE RELATING TO THE**
 16 **COMPUTATION OF PAYMENTS FOR ELIGIBLE**
 17 **FEDERALLY CONNECTED CHILDREN.**

18 Section 8003(a) (20 U.S.C. 7703(a)) is amended by
 19 striking paragraph (3).

20 **SEC. 503. EXTENSION OF AUTHORIZATION OF APPROPRIA-**
 21 **TIONS.**

22 Section 8014 (20 U.S.C. 7714), as amended by sec-
 23 tion 1817 of the Floyd D. Spence National Defense Au-
 24 thorization Act for Fiscal Year 2001 (Public Law 106–
 25 398), is amended—

1 (1) in subsection (a), by striking “three suc-
2 ceeding” and inserting “six succeeding”;

3 (2) in subsection (b), by striking “three suc-
4 ceeding” and inserting “six succeeding”;

5 (3) in subsection (c), by striking “three suc-
6 ceeding” and inserting “six succeeding”;

7 (4) in subsection (e), by striking “three suc-
8 ceeding” and inserting “six succeeding”;

9 (5) in subsection (f), by striking “three suc-
10 ceeding” and inserting “six succeeding”; and

11 (6) in subsection (g), by striking “three suc-
12 ceeding” and inserting “six succeeding”.

13 **SEC. 504. REPEALS, TRANSFERS, AND REDESIGNATIONS.**

14 The Act (20 U.S.C. 6301 et seq.) is amended—

15 (1) by repealing title V (20 U.S.C. 7201 et
16 seq.);

17 (2) by redesignating title VIII (20 U.S.C. 7701
18 et seq.) as title V, and transferring the title to follow
19 title IV (as amended by section 402);

20 (3) by redesignating references to title VIII as
21 references to title V (as redesignated and trans-
22 ferred by paragraph (2)); and

23 (4) by redesignating sections 8001 through
24 8005, and 8007 through 8014 (20 U.S.C. 7701,
25 7714) (as transferred by paragraph (2)) as sections

1 5001 through 5005, and 5007 through 5014, respec-
2 tively, and redesignating accordingly the references
3 to such sections 8001 through 8005 and 8007
4 through 8014.

5 **TITLE VI—HIGH PERFORMANCE**
6 **AND QUALITY EDUCATION**
7 **INITIATIVES**

8 **SEC. 601. HIGH PERFORMANCE AND QUALITY EDUCATION**
9 **INITIATIVES.**

10 Title VI (20 U.S.C. 7301 et seq.) is amended to read
11 as follows:

12 **“TITLE VI—HIGH PERFORMANCE**
13 **AND QUALITY EDUCATION**
14 **INITIATIVES**

15 **“SEC. 6001. FINDINGS, POLICY, AND PURPOSE.**

16 “(a) FINDINGS.—Congress makes the following find-
17 ings:

18 “(1)(A) The educators most familiar with
19 schools, including school superintendents, principals,
20 teachers, and school support personnel, have critical
21 roles in knowing what students need and how best
22 to meet the educational needs of students.

23 “(B) Local educational agencies should there-
24 fore have primary responsibility for deciding how to
25 use funds.

1 “(2)(A) Since the Elementary and Secondary
2 Education Act of 1965 was first authorized in 1965,
3 the Federal Government has created numerous grant
4 programs, each of which was created to address 1
5 among the myriad challenges and problems facing
6 education.

7 “(B) Only a few of the Federal grant programs
8 established before the date of enactment of the Pub-
9 lic Education Reinvestment, Reinvention, and Re-
10 sponsibility Act can be tied to significant quan-
11 titative results.

12 “(C) Because Federal education dollars are dis-
13 tributed through a patchwork of programs, with
14 each program having a set of requirements and re-
15 strictions, local educational agencies and schools
16 have found it difficult to leverage funds for max-
17 imum impact.

18 “(D) In many cases, Federal education dollars
19 distributed through competitive grant programs are
20 too diffused to provide a true impact at the school
21 level.

22 “(E) As a result of the Federal elementary and
23 secondary education policies in place before the date
24 of enactment of the Public Education Reinvestment,
25 Reinvention, and Responsibility Act, the focus of

1 Federal, State, and local educational agencies has
2 been diverted from comprehensive student achieve-
3 ment to administrative compliance.

4 “(3)(A) Every elementary school and secondary
5 school should provide a drug- and violence-free
6 learning environment.

7 “(B) The widespread illegal use of alcohol and
8 drugs among the Nation’s secondary school stu-
9 dents, and increasingly among elementary school
10 students, constitutes a grave threat to students’
11 physical and mental well-being, and significantly im-
12 pedes the learning process.

13 “(C) Drug and violence prevention programs
14 are essential components of a comprehensive strat-
15 egy to promote school safety, youth development,
16 and positive school outcomes, and reduce the de-
17 mand for and illegal use of alcohol, tobacco, and
18 drugs throughout the Nation.

19 “(D) Schools, local organizations, parents, stu-
20 dents, and communities throughout the Nation have
21 a special responsibility to work together to combat
22 the continuing epidemic of violence and illegal drug
23 use, and should measure the success of programs es-
24 tablished to address this epidemic against clearly de-
25 fined goals and objectives.

1 “(E) Drug and violence prevention programs
2 are most effective when implemented within a re-
3 search-based, drug and violence prevention frame-
4 work of proven effectiveness.

5 “(F) Substance abuse and violence are intri-
6 cately related, and must be dealt with in a holistic
7 manner.

8 “(4)(A) Technology can produce far greater op-
9 portunities to enable all students to meet high learn-
10 ing standards, promote efficiency and effectiveness
11 in education, and help to immediately and dramati-
12 cally reform our Nation’s educational system.

13 “(B) Because most Federal and State edu-
14 cational technology programs have focused on ac-
15 quiring educational technologies, rather than empha-
16 sizing the utilization of the technologies in the class-
17 room and the training and infrastructure required
18 efficiently to support the technologies, the full poten-
19 tial of educational technology has rarely been real-
20 ized.

21 “(C) The effective use of technology in edu-
22 cation has been inhibited by the inability of many
23 State educational agencies and local educational
24 agencies to invest in and support needed tech-
25 nologies, and to obtain sufficient resources to seek

1 expert technical assistance in developing high-quality
2 professional development activities for teachers and
3 keeping pace with rapid technological advances.

4 “(D) To remain competitive in the global econ-
5 omy, which is increasingly reliant on a workforce
6 that is comfortable with technology and able to inte-
7 grate rapid technological changes into production
8 processes, it is imperative that our Nation maintain
9 a work-ready labor force.

10 “(b) POLICY.—It is the policy of the United States—

11 “(1) to facilitate significant innovation in ele-
12 mentary school and secondary school education pro-
13 grams;

14 “(2) to enrich the learning environment of stu-
15 dents;

16 “(3) to provide a safe learning environment for
17 all students;

18 “(4) to ensure that all students are techno-
19 logically literate; and

20 “(5) to assist State educational agencies and
21 local educational agencies in building the agencies’
22 capacity to establish, implement, and sustain innova-
23 tive programs for public elementary school and sec-
24 ondary school students.

1 “(c) PURPOSES.—The purposes of this title are as
2 follows:

3 “(1) To provide supplementary assistance for
4 school improvement to elementary schools, secondary
5 schools, and local educational agencies—

6 “(A) that have been or are at risk of being
7 identified for improvement, as described in sub-
8 section (c) or (d) of section 1116, to carry out
9 activities (as described in such schools’ or agen-
10 cies’ improvement plans developed under such
11 section) that are designed to remedy the cir-
12 cumstances that caused such schools or agen-
13 cies to be identified for improvement; or

14 “(B) to improve core content curricula and
15 instructional practices and materials in core
16 academic subjects (as defined in section 2002)
17 to ensure that all students are performing at a
18 State’s proficient level of performance described
19 in the State performance standards described in
20 section 1111(b)(1) within 10 years after the
21 date of enactment of the Public Education Re-
22 investment, Reinvention, and Responsibility
23 Act.

24 “(2) To provide assistance to local educational
25 agencies and schools for innovative programs and

1 activities that will transform schools into places that
2 provide 21st century opportunities for students by—

3 “(A) creating challenging learning environ-
4 ments and facilitating academic enrichment
5 through innovative academic programs; or

6 “(B) providing extra learning, time, and
7 opportunities for students.

8 “(3) To provide assistance to local educational
9 agencies, schools, and communities to strengthen ex-
10 isting programs or develop and implement new pro-
11 grams, based on proven researched-based strategies,
12 that create safe learning environments by—

13 “(A) preventing violence and other high-
14 risk behavior from occurring in and around
15 schools; and

16 “(B) preventing the illegal use of alcohol,
17 tobacco, and drugs among students.

18 “(4) To create New Economy Technology
19 Schools by providing assistance to local educational
20 agencies and schools for—

21 “(A) the acquisition, development, inter-
22 connection, implementation, improvement, and
23 maintenance of an effective educational tech-
24 nology infrastructure;

1 “(B) the acquisition and maintenance of
2 technology equipment and the provision of
3 training in the use of such equipment for teach-
4 ers, school library and media personnel, and ad-
5 ministrators;

6 “(C) the acquisition or development of
7 technology-enhanced curricula and instructional
8 materials that are aligned with challenging
9 State content and student performance stand-
10 ards; and

11 “(D) the acquisition or development, and
12 implementation, of high-quality professional de-
13 velopment activities for teachers concerning the
14 use of technology and integration of technology
15 with challenging State content and student per-
16 formance standards.

17 **“SEC. 6002. DEFINITIONS.**

18 “In this title:

19 “(1) AUTHENTIC TASK.—The term ‘authentic
20 task’ means a real world task as determined by the
21 State involved that—

22 “(A) is challenging, meaningful, multidisci-
23 plinary, and interactive;

24 “(B) involves reasoning, problem solving,
25 and composition; and

1 “(C) is not a task requiring a discrete
2 component skill that has no obvious connection
3 with students’ activities outside of school.

4 “(2) POVERTY LINE.—The term ‘poverty line’
5 means the income official poverty line (as defined by
6 the Office of Management and Budget, and revised
7 annually in accordance with section 673(2) of the
8 Community Services Block Grant Act) applicable to
9 a family of the size involved, for the most recent
10 year for which satisfactory data are available.

11 “(3) SCHOOL-AGE POPULATION.—The term
12 ‘school-age population’, used with respect to a State,
13 means the population of children that the State de-
14 termines are school-age children, but at least the
15 population aged 5 through 17, as determined on the
16 basis of the most recent satisfactory data.

17 “(4) STATE.—The term ‘State’ means each of
18 the several States, the District of Columbia, and the
19 Commonwealth of Puerto Rico.

20 **“SEC. 6003. PROGRAMS AUTHORIZED.**

21 “(a) GRANTS AUTHORIZED.—From the amount ap-
22 propriated under section 6009 for a fiscal year, the Sec-
23 retary shall award a grant, from an allotment made under
24 subsection (b), to each State educational agency having
25 a State plan approved under section 6005(a)(4) to enable

1 the State educational agency to award grants to local edu-
 2 cational agencies in the State.

3 “(b) RESERVATIONS AND ALLOTMENTS.—

4 “(1) RESERVATIONS.—From the amount appro-
 5 priated under section 6009 for a fiscal year, the Sec-
 6 retary shall reserve—

7 “(A) not more than $\frac{1}{2}$ of 1 percent of
 8 such amount for payments to the Bureau of In-
 9 dian Affairs for activities, approved by the Sec-
 10 retary, consistent with this title;

11 “(B) not more than $\frac{1}{2}$ of 1 percent of
 12 such amount for payments to outlying areas, to
 13 be allotted in accordance with their respective
 14 needs for assistance under this title as deter-
 15 mined by the Secretary, for activities, approved
 16 by the Secretary, consistent with this title; and

17 “(C) such sums as may be necessary to
 18 continue to support any multiyear award made
 19 under title III, title IV, part B of title V, or
 20 title X (as such titles and part were in effect
 21 on the day before the date of enactment of the
 22 Public Education Reinvestment, Reinvention,
 23 and Responsibility Act) until the termination of
 24 the multiyear award.

25 “(2) STATE ALLOTMENTS.—

1 “(A) IN GENERAL.—From the amount ap-
2 propriated under section 6009 for a fiscal year
3 and remaining after the Secretary makes res-
4 ervations under paragraph (1), the Secretary
5 shall allot to each State having a State plan ap-
6 proved under section 6005(a)(4) the sum of—

7 “(i) an amount that bears the same
8 relationship to 50 percent of the remainder
9 as the amount the State received under
10 part A of title I for the fiscal year bears
11 to the amount all States received under
12 such part for the fiscal year; and

13 “(ii) an amount that bears the same
14 relationship to 50 percent of the remainder
15 as the school-age population in the State
16 bears to the school-age population in all
17 States.

18 “(B) DATA.—For the purposes of deter-
19 mining the school-age population in a State and
20 in all States, the Secretary shall use the most
21 recent available data from the Bureau of the
22 Census.

23 “(c) STATE MINIMUM.—For any fiscal year, no State
24 shall be allotted under subsection (b)(2) an amount that

1 is less than 0.4 percent of the total amount allotted to
 2 all States under subsection (b)(2).

3 “(d) **HOLD-HARMLESS AMOUNTS.**—For fiscal year
 4 2002, notwithstanding subsection (e), the amount allotted
 5 to each State under subsection (b)(2) shall be not less
 6 than 100 percent of the total amount the State was allot-
 7 ted through formula grants under sections 3132, 4011,
 8 and 6101 (as such sections were in effect on the day be-
 9 fore the date of enactment of the Public Education Rein-
 10 vestment, Reinvention, and Responsibility Act) for fiscal
 11 year 2001.

12 “(e) **RATABLE REDUCTIONS.**—If the sums made
 13 available under subsection (b)(2) for any fiscal year are
 14 insufficient to pay the full amounts that all State edu-
 15 cational agencies are eligible to receive under subsection
 16 (c) or (d) for such year, the Secretary shall ratably reduce
 17 such amounts for such year.

18 **“SEC. 6004. WITHIN STATE ALLOCATION.**

19 “(a) **RESERVATIONS; ALLOCATIONS.**—Each State
 20 educational agency for a State receiving a grant for a fis-
 21 cal year under section 6003(a) shall—

22 “(1) set aside not more than 1 percent of the
 23 grant funds for the cost of administering the activi-
 24 ties under this title;

1 “(2) set aside not more than 4 percent of the
2 grant funds to—

3 “(A) provide for the establishment of, and
4 continued improvement on, high-quality, inter-
5 nationally competitive content and student per-
6 formance standards that all students will be ex-
7 pected to meet;

8 “(B) provide for the establishment of, and
9 continued improvement on, high-quality, rig-
10 orous assessments that include multiple meas-
11 ures and demonstrate comprehensive knowl-
12 edge;

13 “(C) encourage and enable all State edu-
14 cational agencies and local educational agencies
15 to develop, implement, and strengthen com-
16 prehensive education improvement plans that
17 address student achievement, teacher quality,
18 parent involvement, and reliable measurement
19 and evaluation methods; and

20 “(D) encourage and enable all States to
21 develop and implement value-added assess-
22 ments, including model value-added assessments
23 identified by the Secretary under section
24 7104(a)(6); and

1 “(3) using the remaining 95 percent of the
 2 grant funds, make grants by allocating to each local
 3 educational agency in the State having a local edu-
 4 cational agency plan approved under section
 5 6005(b)(3) the sum of—

6 “(A) an amount that bears the same rela-
 7 tionship to 60 percent of such remainder as the
 8 amount the local educational agency received
 9 under part A of title I for the fiscal year bears
 10 to the amount all local educational agencies in
 11 the State received under such part for the fiscal
 12 year; and

13 “(B) an amount that bears the same rela-
 14 tionship to 40 percent of such remainder as the
 15 school-age population in the area served by the
 16 local educational agency bears to the school-age
 17 population in the area served by all local edu-
 18 cational agencies in the State.

19 “(b) MATCHING REQUIREMENT.—

20 “(1) IN GENERAL.—Each eligible local edu-
 21 cational agency receiving a grant under subsection
 22 (a) shall, with respect to the costs to be incurred by
 23 the agency in carrying out the programs for which
 24 the grant was awarded, make available (directly or
 25 through donations from public or private entities)

1 non-Federal contributions, in cash or in kind, in an
2 amount equal to 25 percent of the Federal funds
3 provided under the grant.

4 “(2) WAIVER.—A local educational agency may
5 apply to the State educational agency for, and the
6 State educational agency may grant, a waiver of the
7 requirements of paragraph (1) to a local educational
8 agency that—

9 “(A) applies for such a waiver; and

10 “(B) demonstrates that extreme cir-
11 cumstances make the agency unable to meet
12 such requirements.

13 **“SEC. 6005. PLANS.**

14 “(a) STATE PLANS.—

15 “(1) IN GENERAL.—The State educational
16 agency for each State desiring a grant under this
17 title shall submit a State plan to the Secretary at
18 such time, in such manner, and containing such in-
19 formation as the Secretary may require.

20 “(2) CONSOLIDATED PLAN.—A State plan sub-
21 mitted under paragraph (1) may be submitted as
22 part of a consolidated plan under section 8302.

23 “(3) CONTENTS.—Each plan submitted under
24 paragraph (1) shall—

1 “(A) describe how the State educational
2 agency will assist each local educational agency
3 and school served under this title in the State
4 to comply with the requirements described in
5 section 6006 that are applicable to the local
6 educational agency or school;

7 “(B) certify that the State has in place the
8 standards and assessments required under sec-
9 tion 1111;

10 “(C) certify that the State educational
11 agency has a system, as required under section
12 1111, for—

13 “(i) holding each local educational
14 agency and school in the State accountable
15 for adequate yearly progress (as defined
16 under section 1111(b)(2)(B));

17 “(ii) identifying local educational
18 agencies and schools for improvement and
19 corrective action (as required in sub-
20 sections (c) and (d) of section 1116);

21 “(iii) assisting local educational agen-
22 cies and schools that are identified for im-
23 provement with the development of im-
24 provement plans; and

1 “(iv) providing technical assistance,
2 professional development, and other capac-
3 ity building as needed to remove such
4 agencies and schools from improvement
5 status;

6 “(D) certify that the State educational
7 agency shall use the disaggregated results of
8 student assessments required under section
9 1111(b)(4), and other available measures or in-
10 dicators, to review annually the progress of
11 each local educational agency and school served
12 under this title in the State, to determine
13 whether or not each such agency and school is
14 making adequate yearly progress as required
15 under section 1111(b)(2);

16 “(E) certify that the State educational
17 agency will take action against a local edu-
18 cational agency that is in corrective action and
19 receiving funds under this title as described in
20 section 6006(d)(1);

21 “(F) describe what, if any, State and other
22 resources will be provided to local educational
23 agencies and schools served under this title to
24 carry out activities consistent with this title;
25 and

1 “(G) certify that the State educational
2 agency has a system to hold local educational
3 agencies accountable for meeting the annual
4 performance objectives required under sub-
5 section (b)(2)(C).

6 “(4) APPROVAL.—The Secretary, after using a
7 peer review process, shall approve a State plan if the
8 State plan meets the requirements of this sub-
9 section.

10 “(5) DURATION OF THE PLAN.—Each State
11 plan shall remain in effect for the duration of the
12 State’s participation under this title.

13 “(6) REQUIREMENT.—The Secretary shall not
14 approve a State plan for a State unless the State
15 has established the standards and assessments re-
16 quired under section 1111.

17 “(b) LOCAL PLANS.—

18 “(1) IN GENERAL.—Each local educational
19 agency desiring a grant under this title shall annu-
20 ally submit a local educational agency plan to the
21 State educational agency at such time, in such man-
22 ner, and containing such information as the State
23 educational agency may require.

24 “(2) CONTENTS.—Each local educational agen-
25 cy shall—

1 “(A) describe the programs for which
2 funds allocated under section 6004(a)(3) will be
3 used and the reasons for the selection of such
4 programs;

5 “(B) describe the methods the local edu-
6 cational agency will use to measure the annual
7 impact of programs described under subpara-
8 graph (A) and the extent to which such pro-
9 grams will increase student academic perform-
10 ance;

11 “(C) describe the annual, quantifiable, and
12 measurable performance goals and objectives
13 that the local educational agency will use for
14 each program described under subparagraph
15 (A) and the extent to which such goals and ob-
16 jectives are aligned with State content and stu-
17 dent performance standards;

18 “(D) describe how the local educational
19 agency will hold schools accountable for meeting
20 the performance objectives for each program
21 described under subparagraph (C);

22 “(E) provide an assurance that the local
23 educational agency has met the local plan re-
24 quirements described in section 1112 for—

1 “(i) holding schools accountable for
2 adequate yearly progress as required under
3 section 1111(b)(2), including meeting an-
4 nual numerical goals for improving the
5 performance of all groups of students
6 based on the student performance stand-
7 ards set by the State under section
8 1111(b)(1)(D)(ii);

9 “(ii) identifying schools for school im-
10 provement or corrective action;

11 “(iii) fulfilling the local educational
12 agency’s school improvement responsibil-
13 ities described in section 1116, including
14 taking corrective action under section
15 1116(c)(10); and

16 “(iv) providing technical assistance,
17 professional development, or other capacity
18 building to schools served by the agency;

19 “(F) certify that the local educational
20 agency will take action against a school that is
21 in corrective action and receiving funds under
22 this title as described under section 6006(d)(2);

23 “(G) describe what State and local re-
24 sources will be contributed to carrying out pro-
25 grams described under subparagraph (A);

1 “(H) provide assurances that the local edu-
 2 cational agency consulted, at a minimum, with
 3 parents, school board members, teachers, ad-
 4 ministrators, business partners, education orga-
 5 nizations, and community groups to develop the
 6 local educational agency plan and select the
 7 programs to be assisted under this title; and

8 “(I) provide assurances that the local edu-
 9 cational agency will continue such consultation
 10 on a regular basis and will provide the State
 11 with annual evidence of such consultation.

12 “(3) APPROVAL.—The State, after using a peer
 13 review process, shall approve a local educational
 14 agency plan if the plan meets the requirements of
 15 this subsection.

16 “(4) DURATION OF THE PLAN.—Each local
 17 educational agency plan shall remain in effect for
 18 the duration of the local educational agency’s par-
 19 ticipation under this title.

20 “(5) PUBLIC REVIEW.—Each State educational
 21 agency shall make publicly available each local edu-
 22 cational agency plan approved under paragraph (3).

23 **“SEC. 6006. LOCAL USES OF FUNDS AND ACCOUNTABILITY.**

24 “(a) ADMINISTRATIVE EXPENSES.—Each local edu-
 25 cational agency receiving a grant award under section

1 6004(a)(3) may use not more than 1 percent of the grant
2 funds for a fiscal year for the cost of administering this
3 title.

4 “(b) REQUIRED ACTIVITIES.—Each local educational
5 agency receiving a grant award under section 6004(a)(3)
6 shall use the grant funds pursuant to this section to estab-
7 lish and carry out programs that are designed to achieve,
8 separately or cumulatively, each of the goals described in
9 the categories specified in the following paragraphs:

10 “(1) SCHOOL IMPROVEMENT.—Each local edu-
11 cational agency shall use 30 percent of the grant
12 funds—

13 “(A) in the case of a school that has been
14 identified for school improvement under section
15 1116(c), for activities or strategies that are de-
16 scribed in section 1116(c) that focus on remov-
17 ing such school from school improvement sta-
18 tus; or

19 “(B) for programs that seek to raise the
20 academic achievement levels of all elementary
21 school and secondary school students based on
22 challenging State content and student perform-
23 ance standards and, to the greatest extent
24 possible—

1 “(i) incorporate the best practices de-
2 veloped from research-based methods and
3 practices;

4 “(ii) are aligned with challenging
5 State content and performance standards
6 and focused on reinforcing and boosting
7 the core academic skills and knowledge of
8 students who are struggling academically,
9 as determined by State assessments under
10 section 1111(b)(4) and local evaluations;

11 “(iii) focus on accelerated learning
12 rather than remediation, so that students
13 will master the high level of skills and
14 knowledge needed to meet the highest
15 State standards or to perform at high lev-
16 els on all State assessments;

17 “(iv) offer teachers, principals, and
18 administrators professional development
19 and technical assistance that are aligned
20 with the other content of such programs;
21 and

22 “(v) address local needs, as deter-
23 mined by the local educational agency’s
24 evaluation of school and districtwide data.

1 “(2) 21ST CENTURY OPPORTUNITIES.—Each
2 local educational agency shall use 25 percent of the
3 grant funds for—

4 “(A) programs that provide for extra
5 learning, time, and opportunities for students
6 so that all students may achieve high levels of
7 learning and perform at the State’s proficient
8 level of performance described in the State
9 standards described in section 1111(b)(1) with-
10 in 10 years after the date of enactment of the
11 Public Education Reinvestment, Reinvention,
12 and Responsibility Act;

13 “(B) programs to improve higher order
14 thinking skills of all students, especially dis-
15 advantaged students;

16 “(C) promising innovative education re-
17 form projects that are consistent with chal-
18 lenging State content and student performance
19 standards; or

20 “(D) programs that focus on ensuring that
21 disadvantaged students enter elementary school
22 with the basic skills needed to meet the highest
23 State content and student performance stand-
24 ards.

1 “(3) SAFE LEARNING ENVIRONMENTS.—Each
2 local educational agency shall use 15 percent of the
3 grant funds for programs that help ensure that all
4 elementary school and secondary school students
5 learn in a safe and supportive environment, by—

6 “(A) reducing drugs, violence, and other
7 high-risk behavior in schools;

8 “(B) providing safe, extended-day opportu-
9 nities for students;

10 “(C) providing professional development
11 activities for teachers, principals, mental health
12 professionals, and guidance counselors con-
13 cerning dealing with students exhibiting distress
14 (such as exhibiting distress through substance
15 abuse, disruptive behavior, and suicidal behav-
16 ior);

17 “(D) recruiting or retaining high-quality
18 mental health professionals;

19 “(E) providing character education for stu-
20 dents;

21 “(F) meeting other objectives that are es-
22 tablished under State standards regarding safe-
23 ty or that address local community concerns; or

24 “(G) providing alternative educational op-
25 portunities for violent and disruptive students.

1 “(4) NEW ECONOMY TECHNOLOGY SCHOOLS.—

2 “(A) IN GENERAL.—Each local educational
3 agency shall use 30 percent of the grant funds
4 to establish technology programs that will
5 transform schools into New Economy Tech-
6 nology Schools and, to the greatest extent pos-
7 sible, will—

8 “(i) increase student performance re-
9 lated to an authentic task;

10 “(ii) integrate the use of technology
11 into activities that are a core part of class-
12 room curricula and are available to all stu-
13 dents;

14 “(iii) emphasize how to use technology
15 to accomplish authentic tasks;

16 “(iv) provide professional development
17 and technical assistance to teachers so that
18 teachers may integrate technology into
19 daily teaching activities that are directly
20 aligned with State content and student
21 performance standards;

22 “(v) enable the local educational agen-
23 cy annually to increase the percentage of
24 classrooms with access to technology, par-
25 ticularly in schools in which not less than

1 50 percent of the school-age population
2 comes from families with incomes below
3 the poverty line; and

4 “(vi) allow local educational agencies
5 to provide incentives or bonuses for teach-
6 ers who have met the National Education
7 Technology Standards, as developed by the
8 Department of Education and the Inter-
9 national Society for Technology in Edu-
10 cation, or have obtained an information
11 technology certification that is directly re-
12 lated to the curricula or the academic sub-
13 jects that the teachers teach.

14 “(B) LIMITATION.—Each local educational
15 agency shall use a portion equal to not more
16 than 50 percent of the grant funds described in
17 subparagraph (A) to purchase, upgrade, or ret-
18 rofit computer hardware in schools. In distrib-
19 uting funds from that portion, the agency shall
20 give priority to schools in which not less than
21 50 percent of the school-age population comes
22 from families with incomes below the poverty
23 line.

24 “(c) TRANSFER OF FUNDS.—Notwithstanding sub-
25 section (b)—

1 “(1) a local educational agency that meets ade-
2 quate yearly progress requirements for student per-
3 formance, as established by the State educational
4 agency under section 1111(b)(2)(B), may allocate,
5 at the local educational agency’s discretion, not more
6 than 30 percent of the grant funds received under
7 section 6004(a)(3) among the 4 categories described
8 in paragraphs (1) through (4) of subsection (b);

9 “(2) a local educational agency that exceeds the
10 adequate yearly progress requirements described in
11 paragraph (1) by a significant amount, as deter-
12 mined by the State educational agency, may allocate,
13 at the local educational agency’s discretion, not more
14 than 50 percent of the grant funds received under
15 section 6004(a)(3) among the 4 categories; and

16 “(3) a local educational agency that is identi-
17 fied for improvement, as described in section
18 1116(d), may apply not more than 25 percent of the
19 grant funds in the categories described in para-
20 graphs (2), (3), and (4) of subsection (b) to carry
21 out school improvement activities described in sub-
22 section (b)(1).

23 “(d) LIMITATIONS FOR SCHOOLS AND LOCAL EDU-
24 CATIONAL AGENCIES IN CORRECTIVE ACTION.—

1 “(1) LOCAL EDUCATIONAL AGENCIES IN COR-
2 RECTIVE ACTION.—If a local educational agency is
3 identified for corrective action under section
4 1116(d), the State educational agency shall—

5 “(A) notwithstanding any other provision
6 of law, specify how the local educational agency
7 shall spend the grant funds in order to focus
8 the local educational agency on the activities
9 that will be the most effective in raising student
10 performance levels; and

11 “(B) implement corrective action in ac-
12 cordance with the provisions for corrective ac-
13 tion described in section 1116(d)(12).

14 “(2) SCHOOLS IN CORRECTIVE ACTION.—If a
15 school is identified for corrective action under sec-
16 tion 1116(c), the local educational agency shall—

17 “(A) specify how the school shall spend
18 grant funds received under this section in order
19 to focus the school on the activities that will be
20 the most effective in raising student perform-
21 ance levels; and

22 “(B) implement corrective action in ac-
23 cordance with the provisions for corrective ac-
24 tion described in section 1116(c)(10).

1 “(3) DURATION.—Limitations imposed under
2 paragraphs (1) and (2) on a school or local edu-
3 cational agency in corrective action status shall re-
4 main in effect until such time as the school or local
5 educational agency has made sufficient improve-
6 ment, as determined by the State educational agen-
7 cy, and is removed from corrective action status.

8 **“SEC. 6007. STATE AND LOCAL RESPONSIBILITIES.**

9 “(a) DATA REVIEW.—

10 “(1) STATE AND LOCAL REVIEW.—A State edu-
11 cational agency shall jointly review with a local edu-
12 cational agency described in section 6006(d)(1) the
13 local educational agency’s data gathered from stu-
14 dent assessments and other measures required under
15 section 1111(b)(4), in order to determine pursuant
16 to section 6006(d)(1)(A) how the local educational
17 agency shall spend the grant funds in order to sub-
18 stantially increase student performance levels.

19 “(2) SCHOOL AND LOCAL REVIEW.—A local
20 educational agency shall jointly review with a school
21 described in section 6006(d)(2) the school’s data
22 gathered from student assessments and other meas-
23 ures required under section 1111(b)(4), in order to
24 determine pursuant to section 6006(d)(2) how the

1 school shall spend grant funds in order to substan-
2 tially increase student performance levels.

3 “(b) TECHNICAL ASSISTANCE.—

4 “(1) STATE ASSISTANCE.—

5 “(A) IN GENERAL.—A State educational
6 agency shall provide, upon request by a local
7 educational agency receiving grant funds under
8 this title, technical assistance to the local edu-
9 cational agency and schools served by the local
10 educational agency, including assistance in ana-
11 lyzing student performance and the impact of
12 programs assisted under this title, and identi-
13 fying the best instructional strategies and meth-
14 ods for carrying out such programs.

15 “(B) PROVISION.—State technical assist-
16 ance may be provided by—

17 “(i) the State educational agency; or

18 “(ii) with the local educational agen-
19 cy’s approval, an institution of higher edu-
20 cation, a private not-for-profit or for-profit
21 organization, an educational service agen-
22 cy, the recipient of a Federal contract or
23 participant in a cooperative agreement as
24 described in section 7104(a)(3), a non-
25 traditional entity such as a corporation or

1 consulting firm, or any other entity with
2 experience in the program area for which
3 the assistance is being sought.

4 “(2) LOCAL ASSISTANCE.—

5 “(A) IN GENERAL.—A local educational
6 agency shall provide, upon request by an ele-
7 mentary school or secondary school served by
8 the agency and receiving grant funds under this
9 title, technical assistance to such school, includ-
10 ing assistance in analyzing student performance
11 and the impact of programs assisted under this
12 title, and identifying the best instructional
13 strategies and methods for carrying out such
14 programs.

15 “(B) PROVISION.—Local technical assist-
16 ance may be provided by—

17 “(i) the State educational agency or
18 local educational agency; or

19 “(ii) with the school’s approval, an in-
20 stitution of higher education, a private not-
21 for-profit or for-profit organization, an
22 educational service agency, the recipient of
23 a Federal contract or participant in a co-
24 operative agreement as described in section
25 7104(a)(3), a nontraditional entity such as

1 a corporation or consulting firm, or any
2 other entity with experience in the pro-
3 gram area for which the assistance is being
4 sought.

5 **“SEC. 6008. LOCAL REPORTS.**

6 “Each local educational agency receiving funds under
7 this title to carry out programs shall annually publish and
8 disseminate to the public in a format and, to the extent
9 practicable, in a language that parents can understand,
10 a report on—

11 “(1) information describing the use of funds in
12 the 4 categories described in section 6006(b);

13 “(2) the impact of such programs and an as-
14 sessment of such programs’ effectiveness; and

15 “(3) the local educational agency’s progress to-
16 ward attaining the goals and objectives described in
17 the plan described in section 6005(b), and the extent
18 to which programs assisted under this title have in-
19 creased student achievement.

20 **“SEC. 6009. AUTHORIZATION OF APPROPRIATIONS.**

21 “There are authorized to be appropriated to carry out
22 this title \$3,500,000,000 for fiscal year 2002, and such
23 sums as may be necessary for each of the 4 succeeding
24 fiscal years.”.

1 **TITLE VII—ACCOUNTABILITY**

2 **SEC. 701. ACCOUNTABILITY.**

3 Title VII (20 U.S.C. 7401 et seq.) is amended to read
4 as follows:

5 **“TITLE VII—ACCOUNTABILITY**

6 **“PART A—SANCTIONS AND REWARDS**

7 **“SEC. 7101. SANCTIONS.**

8 “(a) THIRD FISCAL YEAR.—If a State receiving
9 grant funds under a covered provision has not met the
10 performance objectives established under the covered pro-
11 vision by the end of the third fiscal year for which the
12 State receives such grant funds, the Secretary shall reduce
13 by 50 percent the amount the State receives for adminis-
14 trative expenses under such provision.

15 “(b) FOURTH FISCAL YEAR.—If the State fails to
16 meet the performance objectives established under the cov-
17 ered provision by the end of the fourth fiscal year for
18 which the State receives such grant funds, the Secretary
19 shall reduce the total amount the State receives under title
20 VI by 30 percent.

21 “(c) DURATION.—If the Secretary determines, under
22 subsection (a) or (b), that a State failed to meet the per-
23 formance objectives established under a covered provision
24 for a third or fourth fiscal year, the Secretary shall reduce
25 grant funds in accordance with subsection (a) or (b) for

1 the State for each subsequent fiscal year until the State
 2 demonstrates that the State met the performance objec-
 3 tives for the fiscal year preceding the demonstration.

4 “(d) TECHNICAL ASSISTANCE.—The Secretary shall
 5 provide technical assistance, if sought, to a State subjected
 6 to sanctions under subsection (a) or (b).

7 “(e) LOCAL SANCTIONS.—

8 “(1) IN GENERAL.—Each State receiving assist-
 9 ance under part A of title I, part A of title II, part
 10 A of title III, or title VI shall develop a system to
 11 hold local educational agencies accountable for
 12 meeting—

13 “(A) the performance objectives estab-
 14 lished under part A of title II, part A of title
 15 III, and title VI; and

16 “(B) the adequate yearly progress require-
 17 ments established under part A of title I, and
 18 required under part A of title III and title VI.

19 “(2) SANCTIONS.—A system developed under
 20 paragraph (1) shall include a mechanism for sanc-
 21 tioning local educational agencies for failure to meet
 22 such performance objectives and adequate yearly
 23 progress levels.

24 “(f) DEFINITIONS.—In this section:

1 “(1) COVERED PROVISION.—The term ‘covered
2 provision’ means part A of title I, part A of title II,
3 part A of title III, and title VI.

4 “(2) PERFORMANCE OBJECTIVES.—The term
5 ‘performance objectives’ means, used with respect
6 to—

7 “(A) part A of title I, the adequate yearly
8 progress levels established under subsections
9 (b)(2)(A)(iii) and (b)(2)(B) of section 1111;

10 “(B) part A of title II, the set of perform-
11 ance objectives established under section 2104;

12 “(C) part A of title III, the set of perform-
13 ance objectives established under section 3109;
14 and

15 “(D) title VI, the set of performance objec-
16 tives set by each local educational agency under
17 section 6005(b)(2)(C).

18 **“SEC. 7102. REWARDING HIGH PERFORMANCE.**

19 “(a) STATE REWARDS.—

20 “(1) IN GENERAL.—From amounts appro-
21 priated under subsection (d), and from amounts
22 made available as a result of reductions under sec-
23 tion 7101, the Secretary shall make awards to
24 States that—

25 “(A) for 3 consecutive years have—

1 “(i) exceeded the States’ performance
2 objectives established for any title under
3 this Act;

4 “(ii) exceeded the adequate yearly
5 progress levels established under section
6 1111(b)(2);

7 “(iii) significantly narrowed the gaps
8 between minority and nonminority stu-
9 dents, and between economically disadvan-
10 taged and noneconomically disadvantaged
11 students;

12 “(iv) raised all students enrolled in
13 the States’ public elementary schools and
14 secondary schools to the State’s proficient
15 level of performance described in the State
16 standards described in section 1111(b)(4)
17 earlier than 10 years after the date of en-
18 actment of the Public Education Reinvен-
19 tion, Reinvestment, and Responsibility Act;
20 or

21 “(v) significantly increased the per-
22 centage of classes in core academic sub-
23 jects being taught by fully qualified teach-
24 ers in schools receiving funds under part A
25 of title I; or

1 “(B) not later than December 31, 2004,
2 ensure that all teachers teaching in the States’
3 public elementary schools and secondary schools
4 are fully qualified.

5 “(2) STATE USE OF FUNDS.—

6 “(A) DEMONSTRATION SITES.—Each State
7 receiving an award under paragraph (1) shall
8 use a portion of the award that is not distrib-
9 uted under subsection (b) to establish dem-
10 onstration sites with respect to high-performing
11 schools (based on performance objectives or
12 adequate yearly progress) in order to help low-
13 performing schools.

14 “(B) IMPROVEMENT OF PERFORMANCE.—
15 Each State receiving an award under paragraph
16 (1) shall use the portion of the award that is
17 not used pursuant to subparagraph (A) or (C)
18 and is not distributed under subsection (b) for
19 the purpose of improving the level of perform-
20 ance of all elementary school and secondary
21 school students in the State, based on State
22 content and performance standards.

23 “(C) RESERVATION FOR ADMINISTRATIVE
24 EXPENSES.—Each State receiving an award
25 under paragraph (1) may set aside not more

1 than ½ of 1 percent of the award for the plan-
2 ning and administrative costs of carrying out
3 this section, including the costs of distributing
4 awards to local educational agencies.

5 “(b) LOCAL EDUCATIONAL AGENCY AWARDS.—

6 “(1) IN GENERAL.—Each State receiving an
7 award under subsection (a)(1) shall distribute 80
8 percent of the award funds by making awards to
9 local educational agencies in the State that—

10 “(A) for 3 consecutive years have—

11 “(i) exceeded the State-established
12 local educational agency performance ob-
13 jectives established for any title under this
14 Act;

15 “(ii) exceeded the adequate yearly
16 progress levels established under section
17 1111(b)(2);

18 “(iii) significantly narrowed the gaps
19 between minority and nonminority stu-
20 dents, and between economically disadvan-
21 taged and noneconomically disadvantaged
22 students;

23 “(iv) raised all students enrolled in
24 schools served by the local educational
25 agency to the State’s proficient level of

performance described in the State standards described in section 1111(b)(1) earlier than 10 years after the date of enactment of the Public Education Reinvestment, Re-invention, and Responsibility Act; or

“(v) significantly increased the percentage of classes in core academic subjects being taught by fully qualified teachers in schools receiving funds under part A of title I;

“(B) not later than December 31, 2004, ensure that all teachers teaching in the elementary schools and secondary schools served by the local educational agencies are fully qualified; or

“(C) have attained consistently high achievement in another area that the State determines is appropriate to reward.

“(2) SCHOOL AWARDS.—A local educational agency shall use funds made available under paragraph (1) for activities described in subsection (c).

“(3) RESERVATION FOR ADMINISTRATIVE EXPENSES.—Each local educational agency receiving an award under paragraph (1) may set aside not more than $\frac{1}{2}$ of 1 percent of the award for the plan-

1 ning and administrative costs of carrying out this
 2 section, including the costs of distributing awards to
 3 eligible elementary schools and secondary schools,
 4 teachers, and principals.

5 “(c) SCHOOL AWARDS.—Each local educational agen-
 6 cy receiving an award under subsection (b) shall consult
 7 with teachers and principals to develop a reward system,
 8 and shall use the award funds for 1 or more activities—

9 “(1) to reward individual schools that dem-
 10 onstrate high performance with respect to—

11 “(A) increasing the academic achievement
 12 of all students;

13 “(B) narrowing the academic achievement
 14 gap described in section 1111(b)(2)(B)(vii);

15 “(C) improving teacher quality;

16 “(D) increasing high-quality professional
 17 development for teachers, principals, and ad-
 18 ministrators; or

19 “(E) improving the English proficiency of
 20 limited English proficient students;

21 “(2) to reward collaborative teams of teachers,
 22 or teams of teachers and principals, that—

23 “(A) significantly improve the annual per-
 24 formance of low-performing students; or

1 “(B) significantly improve in a fiscal year
2 the English proficiency of limited English pro-
3 ficient students;

4 “(3) to reward principals who successfully raise
5 the performance of a substantial number of low-per-
6 forming students to high academic levels;

7 “(4) to develop or implement school districtwide
8 programs or policies to improve the level of student
9 performance on State assessments that are aligned
10 with State content standards; or

11 “(5) to reward schools for consistently high
12 achievement in another area that the local edu-
13 cational agency determines is appropriate to reward.

14 “(d) AUTHORIZATION OF APPROPRIATIONS.—There
15 are authorized to be appropriated to carry out this section
16 \$200,000,000 for fiscal year 2002, and such sums as may
17 be necessary for each of the 4 succeeding fiscal years.

18 “(e) DEFINITION.—In this section:

19 “(1) CORE ACADEMIC SUBJECT.—The term
20 ‘core academic subject’ has the meaning given the
21 term in section 2002.

22 “(2) LOW-PERFORMING STUDENT.—In this sec-
23 tion, the term ‘low-performing student’ means a stu-
24 dent who performs below a State’s basic level of per-

1 formance described in the State standards described
2 in section 1111(b)(1).

3 **“SEC. 7103. SUPPLEMENT NOT SUPPLANT.**

4 “Funds appropriated pursuant to the authority of
5 this title shall be used to supplement and not supplant
6 other Federal, State, and local public funds expended to
7 provide activities described in section 7102.

8 **“SEC. 7104. SECRETARY’S ACTIVITIES.**

9 “(a) IN GENERAL.—Notwithstanding any other pro-
10 vision of this Act, from amounts appropriated under sub-
11 section (d) and not reserved under subsection (b), the Sec-
12 retary may—

13 “(1) support activities of the National Board
14 for Professional Teaching Standards;

15 “(2) study and disseminate information regard-
16 ing model programs assisted under this Act;

17 “(3) provide training and technical assistance
18 to States, local educational agencies, elementary
19 schools and secondary schools, Indian tribes, and
20 other recipients of grant funds under this Act that
21 are carrying out activities assisted under this Act,
22 including entering into contracts or cooperative
23 agreements with public or private nonprofit entities
24 or consortia of such entities, in order to provide
25 comprehensive training and technical assistance re-

1 lated to the administration and implementation of
2 activities assisted under this Act;

3 “(4) support activities that will promote sys-
4 temic education reform at the State and local levels;

5 “(5) award grants or contracts to public or pri-
6 vate nonprofit entities to enable the entities—

7 “(A) to develop and disseminate informa-
8 tion on exemplary educational practices relating
9 to reading, writing, mathematics, science, and
10 other academic subjects, and technology, and
11 instructional materials and professional develop-
12 ment concerning the academic subjects, for
13 States, local educational agencies, and elemen-
14 tary schools and secondary schools; and

15 “(B) to provide technical assistance con-
16 cerning the implementation of teaching methods
17 and assessment tools for use by elementary
18 school and secondary school students, teachers,
19 and administrators;

20 “(6) disseminate information on models of
21 value-added assessments;

22 “(7) award a grant or contract to a public or
23 private nonprofit entity or consortium of such enti-
24 ties for the development and dissemination of infor-
25 mation on exemplary programs and curricula for ac-

1 celerated and advanced learning for all students, in-
2 cluding gifted and talented students;

3 “(8) award a grant or contract to Reading Is
4 Fundamental, Inc. and other public or private non-
5 profit entities to support and promote programs that
6 include the distribution of inexpensive books to stu-
7 dents and the provision of literacy activities that mo-
8 tivate students to read; and

9 “(9) provide assistance to States—

10 “(A) by assisting in the development of
11 English language development standards and
12 high-quality assessments, if requested by a
13 State participating in activities under part A of
14 title III; and

15 “(B) by developing native language tests
16 for limited English proficient students that a
17 State may administer to such students to assess
18 student performance in at least reading,
19 science, and mathematics, consistent with sec-
20 tion 1111.

21 “(b) RESERVATION.—From the amounts appro-
22 priated under subsection (d), the Secretary shall reserve
23 \$10,000,000 for the purposes of carrying out activities
24 under section 1202(c).

25 “(c) SPECIAL RULE FOR SECRETARY AWARDS.—

1 “(1) IN GENERAL.—Notwithstanding any other
2 provision of this Act, a recipient of funds under this
3 Act for a program that are provided through a di-
4 rect grant made by the Secretary, or a contract or
5 cooperative agreement entered into directly with the
6 Secretary, shall include information on the following
7 in any application or plan required under such pro-
8 gram:

9 “(A) How funds provided under the pro-
10 gram have been used and will be used and how
11 such use has increased and will increase student
12 academic achievement.

13 “(B) The goals and objectives that have
14 been met and that will be met through the pro-
15 gram, including goals for dissemination and use
16 of any information or materials produced.

17 “(C) How the recipient has tracked and re-
18 ported annually, and will track and report an-
19 nually, to the Secretary information on—

20 “(i) the successful dissemination of
21 any information or materials produced
22 under the program;

23 “(ii) where the information or mate-
24 rials produced are being used; and

1 “(iii) the impact of such use and, if
2 applicable, the extent to which such use in-
3 creases student academic achievement.

4 “(2) REQUIREMENT.—If no application or plan
5 is required under a program described in paragraph
6 (1), the Secretary shall require the recipient to sub-
7 mit a plan containing the information required
8 under paragraph (1).

9 “(3) FAILURE TO ACHIEVE GOALS AND OBJEC-
10 TIVES.—

11 “(A) IN GENERAL.—The Secretary shall
12 evaluate the information submitted under this
13 subsection to determine whether the recipient
14 has met the goals and objectives described in
15 paragraph (1)(B), assess the magnitude of the
16 dissemination, and assess the effectiveness of
17 the activity funded in raising student academic
18 achievement in places where information or ma-
19 terials produced with such funds are used.

20 “(B) INELIGIBILITY.—The Secretary shall
21 consider the recipient ineligible for grants, con-
22 tracts, or cooperative agreements described in
23 paragraph (1) if—

24 “(i) the goals and objectives described
25 in paragraph (1)(B) have not been met;

1 “(ii) the dissemination has not been of
 2 a magnitude to ensure that national goals
 3 are being addressed; or

4 “(iii) the information or materials
 5 produced have not made a significant im-
 6 pact on raising student achievement in
 7 places where such information or materials
 8 are used.

9 “(d) AUTHORIZATION OF APPROPRIATIONS.—There
 10 are authorized to be appropriated to carry out this section
 11 \$150,000,000 for fiscal year 2002, and such sums as may
 12 be necessary for each of the 4 succeeding fiscal years.

13 **“PART B—AMERICA’S EDUCATION GOALS PANEL**

14 **“SEC. 7201. AMERICA’S EDUCATION GOALS PANEL.**

15 “(a) PURPOSE.—The purpose of this section is to es-
 16 tablish a bipartisan mechanism for—

17 “(1) building a national consensus for edu-
 18 cation improvement; and

19 “(2) reporting on progress toward achieving
 20 America’s Education Goals.

21 “(b) AMERICA’S EDUCATION GOALS PANEL.—

22 “(1) ESTABLISHMENT.—There is established in
 23 the executive branch an America’s Education Goals
 24 Panel (referred to in this part as the ‘Goals Panel’)
 25 to advise the President, the Secretary, and Congress.

1 “(2) COMPOSITION.—The Goals Panel shall be
2 composed of 18 members (referred to individually in
3 this section as a ‘member’), including—

4 “(A) 2 members appointed by the Presi-
5 dent;

6 “(B) 8 members who are Governors, 3 of
7 whom shall be from the same political party as
8 the President and 5 of whom shall be from the
9 opposite political party from the President, ap-
10 pointed by the Chairperson and Vice Chair-
11 person of the National Governors’ Association,
12 with the Chairperson and Vice Chairperson
13 each appointing representatives of such Chair-
14 person’s and Vice Chairperson’s respective po-
15 litical parties, in consultation with each other;

16 “(C) 4 Members of Congress, of whom—

17 “(i) 1 member shall be appointed by
18 the Majority Leader of the Senate from
19 among the Members of the Senate;

20 “(ii) 1 member shall be appointed by
21 the Minority Leader of the Senate from
22 among the Members of the Senate;

23 “(iii) 1 member shall be appointed by
24 the Majority Leader of the House of Rep-

1 representatives from among the Members of
2 the House of Representatives; and

3 “(iv) 1 member shall be appointed by
4 the Minority Leader of the House of Rep-
5 resentatives from among the Members of
6 the House of Representatives; and

7 “(D) 4 members of State legislatures ap-
8 pointed by the President of the National Con-
9 ference of State Legislatures, of whom 2 shall
10 be from the same political party as the Presi-
11 dent of the United States.

12 “(3) SPECIAL APPOINTMENT RULES.—

13 “(A) IN GENERAL.—The members ap-
14 pointed pursuant to paragraph (2)(B) shall be
15 appointed as follows:

16 “(i) SAME PARTY.—If the Chair-
17 person of the National Governors’ Associa-
18 tion is from the same political party as the
19 President, the Chairperson shall appoint 3
20 individuals and the Vice Chairperson of
21 such association shall appoint 5 individ-
22 uals.

23 “(ii) OPPOSITE PARTY.—If the Chair-
24 person of the National Governors’ Associa-
25 tion is from the opposite political party

1 from the President, the Chairperson shall
2 appoint 5 individuals and the Vice Chair-
3 person of such association shall appoint 3
4 individuals.

5 “(B) SPECIAL RULE.—If the National
6 Governors’ Association has appointed a panel
7 that meets the requirements of paragraph (2)
8 and subparagraph (A) (except for the require-
9 ments of paragraph (2)(D)), prior to the date
10 of enactment of the Public Education Reinvest-
11 ment, Reinvention, and Responsibility Act, the
12 members serving on such panel shall be deemed
13 to be in compliance with the provisions of such
14 paragraph (2) and subparagraph (A) and shall
15 not be required to be reappointed pursuant to
16 such paragraph (2) and subparagraph (A).

17 “(C) REPRESENTATION.—To the extent
18 feasible, the membership of the Goals Panel
19 shall be geographically representative and re-
20 flect the racial, ethnic, and gender diversity of
21 the United States.

22 “(4) TERMS.—The terms of service of members
23 shall be as follows:

1 “(A) PRESIDENTIAL APPOINTEES.—Mem-
2 bers appointed under paragraph (2)(A) shall
3 serve at the pleasure of the President.

4 “(B) GOVERNORS.—Members appointed
5 under paragraph (2)(B) (or (3)(B)) shall serve
6 for 2-year terms, except that the initial appoint-
7 ments under such paragraph shall be made to
8 ensure staggered terms.

9 “(C) CONGRESSIONAL APPOINTEES AND
10 STATE LEGISLATORS.—Members appointed
11 under subparagraphs (C) and (D) of paragraph
12 (2) shall serve for 2-year terms.

13 “(5) DATE OF APPOINTMENT.—The initial
14 members shall be appointed not later than 60 days
15 after the date of enactment of the Public Education
16 Reinvestment, Reinvention, and Responsibility Act.

17 “(6) INITIATION.—The Goals Panel may begin
18 to carry out the Goals Panel’s duties under this sec-
19 tion when 10 members of the Goals Panel have been
20 appointed.

21 “(7) VACANCIES.—A vacancy on the Goals
22 Panel shall not affect the powers of the Goals Panel,
23 but shall be filled in the same manner as the origi-
24 nal appointment.

1 “(8) TRAVEL.—The members shall not receive
 2 compensation for the performance of services for the
 3 Goals Panel, but each member may be allowed travel
 4 expenses, including per diem in lieu of subsistence,
 5 as authorized by section 5703 of title 5, United
 6 States Code, for each day the member is engaged in
 7 the performance of duties for the Goals Panel away
 8 from the home or regular place of business of the
 9 member. Notwithstanding section 1342 of title 31,
 10 United States Code, the President may accept the
 11 voluntary and uncompensated services of members.

12 “(9) CHAIRPERSON.—

13 “(A) IN GENERAL.—The members shall se-
 14 lect a Chairperson from among the members.

15 “(B) TERM AND POLITICAL AFFILI-
 16 ATION.—The Chairperson of the Goals Panel
 17 shall serve a 1-year term. No 2 consecutive
 18 Chairpersons shall be from the same political
 19 party.

20 “(10) CONFLICT OF INTEREST.—A member of
 21 the Goals Panel who is an elected official of a State
 22 that has developed content or student performance
 23 standards may not participate in Goals Panel con-
 24 sideration of such standards.

1 “(11) EX OFFICIO MEMBER.—If the President
 2 has not appointed the Secretary as 1 of the 2 mem-
 3 bers the President appoints pursuant to paragraph
 4 (2)(A), the Secretary shall serve as a nonvoting ex
 5 officio member of the Goals Panel.

6 “(c) DUTIES.—

7 “(1) IN GENERAL.—The Goals Panel shall—

8 “(A) report to the President, the Sec-
 9 retary, and Congress regarding the progress the
 10 Nation and the States are making toward
 11 achieving America’s Education Goals, including
 12 issuing an annual report;

13 “(B) report on, and widely disseminate
 14 through multiple strategies information per-
 15 taining to, promising or effective actions being
 16 taken at the Federal, State, and local levels,
 17 and in the public and private sectors, to achieve
 18 America’s Education Goals;

19 “(C) report on, and widely disseminate in-
 20 formation on promising or effective practices
 21 pertaining to, the achievement of each of the 8
 22 America’s Education Goals; and

23 “(D) help build a bipartisan consensus for
 24 the reforms necessary to achieve America’s
 25 Education Goals.

1 “(2) REPORT.—

2 “(A) IN GENERAL.—The Goals Panel shall
3 annually prepare and submit to the President,
4 the Secretary, the appropriate committees of
5 Congress, and the Governor of each State a re-
6 port that shall—

7 “(i) assess the progress of the United
8 States toward achieving America’s Edu-
9 cation Goals; and

10 “(ii) identify actions that should be
11 taken by Federal, State, and local govern-
12 ments.

13 “(B) FORM; DATA.—The reports shall be
14 presented in a form, and include data, that is
15 understandable to parents and the general pub-
16 lic.

17 “(3) EARLY CHILDHOOD ASSESSMENT.—The
18 Goals Panel shall carry out the activities described
19 in section 207 of the Goals 2000: Educate America
20 Act, as in effect on the day before the date of enact-
21 ment of the Public Education Reinvestment, Re-
22 invention, and Responsibility Act.

23 “(d) POWERS.—The Goals Panel shall have the pow-
24 ers described in section 204 of the Goals 2000: Educate
25 America Act, as in effect on the day before the date of

1 enactment of the Public Education Reinvestment, Re-
2 invention, and Responsibility Act.

3 “(e) ADMINISTRATION.—The Goals Panel shall com-
4 ply with the administrative requirements described in sec-
5 tion 205 of the Goals 2000: Educate America Act, as in
6 effect on the day before the date of enactment of the Pub-
7 lic Education Reinvestment, Reinvention, and Responsi-
8 bility Act.

9 “(f) PERSONNEL.—The Goals Panel shall have the
10 authority relating to a director, employees, experts and
11 consultants, and detailees described in section 206 of the
12 Goals 2000: Educate America Act, as in effect on the day
13 before the date of enactment of the Public Education Re-
14 investment, Reinvention, and Responsibility Act.

15 “(g) DEFINITION.—In this section, the term ‘Amer-
16 ica’s Education Goals’ means the National Education
17 Goals established under section 102 of the Goals 2000:
18 Educate America Act, as in effect on the day before the
19 date of enactment of the Public Education Reinvestment,
20 Reinvention, and Responsibility Act.”.

**TITLE VIII—GENERAL
PROVISIONS AND REPEALS**

**SEC. 801. REPEALS, TRANSFERS, AND REDESIGNATIONS RE-
GARDING TITLE XIV.**

(a) IN GENERAL.—The Act (20 U.S.C. 6301 et seq.)
is amended—

(1) by inserting after title VII the following:

**“TITLE VIII—GENERAL
PROVISIONS”;**

(2) by repealing sections 14514 and 14603 (20
U.S.C. 8904, 8923);

(3)(A) by transferring title XIV (20 U.S.C.
8801 et seq.) to title VIII and inserting such title
after the title heading for title VIII; and

(B) by striking the title heading for title XIV;

(4)(A) by redesignating part H of title VIII (as
redesignated by paragraph (3)) as part I of title
VIII; and

(B) by redesignating the references to such part
H of title VIII as references to part I of title VIII;

(5) by inserting after part G of title VIII the
following:

1 **“PART H—SUPPLEMENT, NOT SUPPLANT**

2 **“SEC. 8801. SUPPLEMENT, NOT SUPPLANT.**

3 “Funds appropriated pursuant to the authority of
4 this Act shall be used to supplement and not supplant
5 State and local public funds expended to provide activities
6 described in this Act.”;

7 (6) by redesignating the references to title XIV
8 as references to title VIII;

9 (7)(A) by redesignating sections 14101 through
10 14103 (20 U.S.C. 8801, 8803) (as transferred by
11 paragraph (3)) as sections 8101 through 8103, re-
12 spectively; and

13 (B) by redesignating the references to such sec-
14 tions 14101 through 14103 as references to sections
15 8101 through 8103, respectively;

16 (8)(A) by redesignating sections 14201 through
17 14206 (20 U.S.C. 8821, 8826) (as transferred by
18 paragraph (3)) as sections 8201 through 8206, re-
19 spectively; and

20 (B) by redesignating the references to such sec-
21 tions 14201 through 14206 as references to sections
22 8201 through 8206, respectively;

23 (9)(A) by redesignating sections 14301 through
24 14307 (20 U.S.C. 8851, 8857) (as transferred by
25 paragraph (3)) as sections 8301 through 8307, re-
26 spectively; and

1 (B) by redesignating the references to such sec-
2 tions 14301 through 14307 as references to sections
3 8301 through 8307, respectively;

4 (10)(A) by redesignating section 14401 (20
5 U.S.C. 8881) (as transferred by paragraph (3)) as
6 section 8401; and

7 (B) by redesignating the references to such sec-
8 tion 14401 as references to section 8401;

9 (11)(A) by redesignating sections 14501
10 through 14513 (20 U.S.C. 8891, 8903) (as trans-
11 ferred by paragraph (3)) as sections 8501 through
12 8513, respectively; and

13 (B) by redesignating the references to such sec-
14 tions 14501 through 14513 as references to sections
15 8501 through 8513, respectively;

16 (12)(A) by redesignating sections 14601 and
17 14602 (20 U.S.C. 8921, 8922) (as transferred by
18 paragraph (3)) as sections 8601 and 8602, respec-
19 tively; and

20 (B) by redesignating the references to such sec-
21 tions 14601 and 14602 as references to sections
22 8601 and 8602, respectively;

23 (13)(A) by redesignating section 14701 (20
24 U.S.C. 8941) (as transferred by paragraph (3)) as
25 section 8701; and

1 (B) by redesignating the references to such sec-
2 tion 14701 as references to section 8701; and

3 (14)(A) by redesignating sections 14801 and
4 14802 (20 U.S.C. 8961, 8962) (as transferred by
5 paragraph (3)) as sections 8901 and 8902, respec-
6 tively; and

7 (B) by redesignating the references to such sec-
8 tions 14801 and 14802 as references to sections
9 8901 and 8902, respectively.

10 (b) AMENDMENTS.—Title VIII (as so transferred and
11 redesignated) is amended—

12 (1) in section 8101(10) (as redesignated by
13 subsection (a)(7))—

14 (A) by striking subparagraphs (C) through
15 (F); and

16 (B) by adding after subparagraph (B) the
17 following:

18 “(C) part A of title II;

19 “(D) part A of title III; and

20 “(E) title IV.”;

21 (2) in section 8102 (as redesignated by sub-
22 section (a)(7)), by striking “VIII” and inserting
23 “V”;

24 (3) in section 8201 (as redesignated by sub-
25 section (a)(8))—

1 (A) in subsection (a)(2), by striking “, and
 2 administrative funds under section 308(c) of
 3 the Goals 2000: Educate America Act”; and

4 (B) by striking subsection (f);

5 (4) in section 8203(b) (as redesignated by sub-
 6 section (a)(8)), by striking “Improving America’s
 7 Schools Act of 1994” and inserting “Public Edu-
 8 cation Reinvestment, Reinvention, and Responsibility
 9 Act”;

10 (5) in section 8204 (as redesignated by sub-
 11 section (a)(8))—

12 (A) by striking subsection (b); and

13 (B) in subsection (a)—

14 (i) in paragraph (2)—

15 (I) in the matter preceding sub-
 16 paragraph (A), by striking “1995”
 17 and inserting “2002”; and

18 (II) in subparagraph (B), by in-
 19 serting “professional development,”
 20 after “curriculum development,”; and

21 (ii) in paragraph (4)—

22 (I) by striking “and section
 23 410(b) of the Improving America’s
 24 Schools Act of 1994”;

1 (II) by striking “paragraph (2)”

2 and inserting “subsection (a)(2)”;

3 (III) by striking the following:

4 “(4) RESULTS.—” and inserting the following:

5 “(b) RESULTS.—”;

6 (IV) by striking the following:

7 “(A) develop” and inserting the following:

8 “(1) develop”; and

9 (V) by striking the following:

10 “(B) within” and inserting the following:

11 “(2) within”;

12 (6) in section 8205(a)(1) (as redesignated by

13 subsection (a)(8)), by striking “part A of title IX”

14 and inserting “subpart 1 of part C of title III”;

15 (7) in section 8206 (as redesignated by sub-

16 section (a)(8))—

17 (A) by striking “(a) UNNEEDED PROGRAM

18 FUNDS.—”; and

19 (B) by striking subsection (b);

20 (8) in section 8302(a)(2) (as redesignated by

21 subsection (a)(9))—

22 (A) by striking subparagraph (C); and

23 (B) by redesignating subparagraphs (D)

24 and (E) as subparagraphs (C) and (D), respec-

25 tively;

1 (9) in section 8304(b) (as redesignated by sub-
 2 section (a)(9)), by striking “Improving America’s
 3 Schools Act of 1994” and inserting “Public Edu-
 4 cation Reinvestment, Reinvention, and Responsibility
 5 Act”;

6 (10) in section 8401 (as redesignated by sub-
 7 section (a)(10))—

8 (A) in subsection (a), by striking “Except
 9 as provided in subsection (c),” and inserting
 10 “Except as provided in subsection (c), and not-
 11 withstanding any other provision regarding
 12 waivers in this Act,”; and

13 (B) in subsection (c)(8), by striking “part
 14 C of title X” and inserting “part B of title IV”;

15 (11) in section 8502 (as redesignated by sub-
 16 section (a)(11)), by striking “VIII” and inserting
 17 “V”;

18 (12) in section 8503(b)(1) (as redesignated by
 19 subsection (a)(11))—

20 (A) by striking subparagraphs (B) through
 21 (E); and

22 (B) by adding at the end the following:

23 “(B) part A of title II, relating to profes-
 24 sional development;

25 “(C) title III; and

1 “(D) title VI.”;

2 (13) in section 8506(d) (as redesignated by
3 subsection (a)(11)), by striking “Improving Amer-
4 ica’s Schools Act of 1994” and inserting “Public
5 Education Reinvestment, Reinvention, and Responsi-
6 bility Act”;

7 (14) in section 8513 (as redesignated by sub-
8 section (a)(11)), by striking “Improving America’s
9 Schools Act of 1994” each place it appears and in-
10 serting “Public Education Reinvestment, Reinven-
11 tion, and Responsibility Act”;

12 (15) in section 8601 (as redesignated by sub-
13 section (a)(12))—

14 (A) in subsection (b)(3)—

15 (i) in subparagraph (A), by striking
16 “Improving America’s Schools Act of
17 1994” and inserting “Public Education
18 Reinvestment, Reinvention, and Responsi-
19 bility Act”; and

20 (ii) in subparagraph (B), by striking
21 “Improving America’s Schools Act” and
22 inserting “Public Education Reinvestment,
23 Reinvention, and Responsibility Act”; and

24 (B) in subsection (f), by striking “Improv-
25 ing America’s Schools Act of 1994” and insert-

1 ing “Public Education Reinvestment, Reinven-
2 tion, and Responsibility Act”; and

3 (16) in section 8701(b) (as redesignated by
4 subsection (a)(13))—

5 (A) in paragraph (1)—

6 (i) in subparagraph (B)—

7 (I) in clause (i), by striking “Im-
8 proving America’s Schools Act of
9 1994” and inserting “Public Edu-
10 cation Reinvestment, Reinvention, and
11 Responsibility Act”;

12 (II) in clause (ii), by striking
13 “such as initiatives under the Goals
14 2000: Educate America Act, and” and
15 inserting “under”; and

16 (III) in clause (ii), by striking
17 “such Acts” and inserting “such
18 Act”; and

19 (ii) in subparagraph (C)(ii), by strik-
20 ing “the School-to-Work Opportunities Act
21 of 1994, and the Goals 2000: Educate
22 America Act,” and inserting “and the
23 School-to-Work Opportunities Act of
24 1994”; and

1 (B) in paragraph (3), by striking “1998”
2 and inserting “2005”.

3 **SEC. 802. OTHER REPEALS.**

4 Titles X, XI, XII, and XIII (20 U.S.C. 8001 et seq.,
5 8401 et seq., 8501 et seq., 8601 et seq.) and the Goals
6 2000: Educate America Act (20 U.S.C. 5801 et seq.) are
7 repealed.

○